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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Mission for the Referendum in Western Sahara

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2008/09	$45,600,800
Expenditure for 2008/09	$45,060,800
Unencumbered balance for 2008/09	$540,000
Appropriation for 2009/10	$53,527,600
Projected expenditure for 2009/10[a]	$52,823,550
Estimated unencumbered balance for 2009/10[a]	$704,050
Proposal submitted by the Secretary-General for 2010/11	$58,230,900
Recommendation of the Advisory Committee for 2010/11	$58,100,400

[a] Estimates as at 31 January 2010 (see annex I).

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I. Introduction

1. **The recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 24 and 25 below would entail a reduction of $130,500 in the proposed budget of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 2010 to 30 June 2011.**

2. The Advisory Committee's general report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/64/660) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items relating specifically to MINURSO.

3. In considering the Secretary-General's proposals for MINURSO for the period from 1 July 2010 to 30 June 2011, the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Mission (see A/64/5 (Vol. II), chap. II) and has made specific comments thereon, where appropriate, in the paragraphs below. The Committee's report on the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2009 is contained in document A/64/708. **The Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board.**

4. The documents reviewed and those used as background by the Advisory Committee in its consideration of the financing of MINURSO are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2008 to 30 June 2009

5. By its resolution 62/268, the General Assembly appropriated an amount of $45,600,800 gross ($43,506,700 net) for the maintenance of MINURSO for the period from 1 July 2008 to 30 June 2009, exclusive of budgeted voluntary contributions in kind in the amount of $2,774,500. The full amount has been assessed on Member States. Expenditures for the period totalled $45,060,800 gross ($42,920,400 net), resulting in an unencumbered balance of $540,000 gross ($586,300 net), which represents, in gross terms, 1.2 per cent of the total appropriation.

6. Underexpenditures were incurred, inter alia, under:

(a) United Nations police ($22,600, or 14.6 per cent), due to the non-utilization of provisions for death and disability;

(b) General temporary assistance ($16,300, or 27.5 per cent), due to the non-utilization of sick, maternity and paternity leave provisions;

(c) Consultants ($16,700, or 40 per cent), due to the utilization of in-house expertise in lieu of consultancies;

(d) Facilities and infrastructure ($399,500, or 10 per cent), due primarily to reduced requirements for the acquisition of prefabricated facilities and safety and security equipment, and to the non-acquisition of refrigeration equipment;

(e) Air transportation ($599,000, or 4.5 per cent), due to lower requirements for the rental and operation of three fixed-wing aircraft;

(f) Medical services ($42,500, or 25 per cent), due to lower requirements for medical services owing to the lack of any serious injuries to military observers requiring evacuation and hospitalization.

7. Overexpenditures were incurred, inter alia, under:

(a) Military observers ($120,400, or 2.2 per cent), due primarily to successive increases in mission subsistence allowance;

(b) International staff ($298,200, or 2.5 per cent), due to (i) higher salary costs resulting from a lower-than-budgeted average vacancy rate of 7.5 per cent; (ii) revised salary scales in effect since 1 August 2008 and 1 January 2009 for Field Service and Professional and higher categories of staff, respectively; and (iii) higher common staff costs;

(c) Official travel ($103,700, or 23.6 per cent), due to the greater number of trips within the Mission area, coupled with the revised policy of recording under this heading the full mission subsistence allowance for staff staying overnight at locations away from their designated duty stations;

(d) Information technology ($87,800, or 9.3 per cent), due to the need for 34 additional uninterruptible power supply units and the unforeseen need for specialized Geographic Information System (GIS) software and satellite imagery services, as well as contractual support services for the new GIS Unit.

8. The comments of the Advisory Committee on the information contained in the performance report relating to individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2010 to 30 June 2011 in the paragraphs below.

III. Financial position and information on performance for the current period

9. The Advisory Committee was informed that, as at 28 February 2010, a total of $781,084,400 had been assessed on Member States in respect of MINURSO since its inception. Payments received as at that date amounted to $719,529,400, leaving an outstanding balance of $61,555,000. As at 1 March 2010, the cash available to the Mission amounted to $6,800,000. Taking into account a three-month operating reserve of $13,273,000, as well as an outstanding loan from the Special Account for the United Nations Protection Force in the amount of $18 million, the Mission's cash shortfall as at the same date amounted to $24,473,000. **The Committee reiterates its concern at the continued precariousness of the financial situation of the Mission, especially the potential impact of that situation on timely reimbursements to troop-contributing countries.**

10. The Advisory Committee was also informed that, as at 31 December 2009, $2,230,000 was owed for troops and $891,000 for contingent-owned equipment.

With regard to death and disability compensation, as at 28 February 2010, $80,000 had been paid in respect of two claims. No claims were pending and unliquidated obligations amounted to $20,000.

11. The Advisory Committee was informed that, as at 28 February 2010, the incumbency for MINURSO for the period from 1 July 2009 to 30 June 2010 was as follows:

Category	*Posts authorized*[a]	*Posts encumbered*	*Vacancy rate (percentage)*
Military observers	203	191	5.9
Military contingent personnel	27	27	—
United Nations police	6	6	—
Posts			
International staff	108	94	10.2
National staff	164	159	3.2
General temporary assistance			
National staff	2	1	50.0
United Nations Volunteers	20	19	5.0

[a] Represents the highest authorized strength for the period.

12. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2009 to 30 June 2010 (see annex I). Expenditures for the period as at 31 January 2010 amounted to $36,309,900 gross against an apportionment of $53,527,600 gross. For the entire financial period, current and projected expenditures amount to $52,823,550, resulting in a projected unencumbered balance of $704,050.

IV. Proposed budget for the period from 1 July 2010 to 30 June 2011

A. Mandate and planned results

13. The mandate of MINURSO was established by the Security Council in its resolution 690 (1991). The most recent extension of the mandate, to 30 April 2010, was authorized by the Council in its resolution 1871 (2009).

14. As the Secretary-General notes in paragraph 2 of his report on the proposed budget for MINURSO for the period from 1 July 2010 to 30 June 2011 (A/64/636), the Mission is mandated to help the Security Council achieve a just, lasting and mutually acceptable political solution that will provide for the self-determination of the people of Western Sahara. To that end, as indicated in paragraph 7 of the report, during the budget period the Mission intends to continue its mobile and static observation and monitoring activities; provide guidance, advice and the necessary logistical support to the Personal Envoy of the Secretary-General; continue to provide logistical support and United Nations police escorts to facilitate family visits between the territory and refugee camps; continue to provide aircraft, personnel and ground transportation to assist the Office of the United Nations High

Commissioner for Refugees in the implementation of the confidence-building programme; collaborate with and support the representative office of the African Union; support efforts undertaken by non-governmental organizations to reduce mines and unexploded ordnance; and continue to build on the progress achieved in the area of information management with the Geneva International Centre for Humanitarian Demining.

B. Resource requirements

15. The proposed budget for MINURSO for the period from 1 July 2010 to 30 June 2011 amounts to $58,230,900, representing an increase of $4,703,300, or 8.8 per cent, in gross terms, over the total apportionment of $53,527,600 for the preceding period. The proposed budget provides for the deployment of 203 military observers, 27 military contingent personnel, 6 United Nations police officers, 109 international staff, 166 national staff, including 1 national General Service position funded under general temporary assistance, 20 United Nations Volunteers and 10 Government-provided personnel. A net increase of one post is proposed. An analysis of variances is provided in paragraphs 41 to 58 of the proposed budget.

16. The Advisory Committee notes that, for the 2010/11 period, budgeted voluntary contributions in kind in the amount of $2,908,000 are expected from the Government of Morocco ($2,512,000), the Government of Algeria ($366,000) and the Frente Polisario ($30,000) (see A/64/636, sect. II.A). Non-budgeted contributions for 2010/11 are also expected for accommodations provided by the Governments of Morocco ($1,060,000) and Algeria ($62,000) (ibid., sect. II.B). **The Committee notes the continued contributions with appreciation.**

1. Military and police personnel

Category	Approved 2009/10[a]	Proposed 2010/11	Variance
Military observers	203	203	-
Military contingents	27	27	-
United Nations police	6	6	-

[a] Represents highest level of authorized strength.

17. The estimated requirements for military and police personnel for the 2010/11 period amount to $6,818,700 (gross), an increase of $539,400, or 8.6 per cent, over the apportionment of $6,279,300 for 2009/10. The increased requirements for military observers are due primarily to an increase in mission subsistence allowance from $52 to $54 per person per day, effective 1 October 2008. The provisions reflect the application of a 2 per cent delayed deployment factor for military observers.

2. Civilian personnel

Category	Approved 2009/10[a]	Proposed 2010/11[a]	Variance
International staff	169	169	–
National staff[b]	164	165	1
United Nations Volunteers	29	29	–
Temporary positions[c]	2	1	(1)

[a] Represents the highest level of authorized/proposed strength.
[b] Includes National Officers and national General Service staff.
[c] Funded under general temporary assistance.

14. The estimated requirements for civilian personnel for the 2010/11 period amount to $20,059,500, representing an increase of $1,612,400, or 8.7 per cent, over the apportionment of $18,447,100 for 2009/10. A vacancy factor of 10 per cent has been applied to the cost estimates for international staff (the same as for the preceding period); 7 per cent for national General Service staff (as compared to 5 per cent for the preceding period); and 5 per cent for United Nations Volunteers (as compared to 4 per cent for the preceding period).

15. The additional requirements of $1,347,600 (an increase of 9.3 per cent) for international staff are due primarily to increased requirements for salaries, including post adjustment and common staff costs, pursuant to the provisions of General Assembly resolution 63/250, as well as to a revised salary scale in effect from 1 January 2010 and to the proposed establishment of one additional Field Service post (see paras. 22 to 24 below). The additional requirements of $279,700 (an increase of 8.6 per cent) for national staff are due mainly to the application of revised salary scales for national staff based in Morocco and Nigeria. The provision also reflect the proposed establishment of one additional national General Service post as a result of the conversion of a position funded under general temporary assistance (see para. 25 below). The decrease of $14,900 (47.2 per cent) in the requirements for general temporary assistance is attributable to the aforementioned proposal to convert a position funded under general temporary assistance to an established post (item 1).

16. In its general report on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/64/660), the Advisory Committee discusses the impact of General Assembly resolution 63/250 on the estimated requirements for the salaries and related allowances of international staff serving in peacekeeping missions.

Recommendations on posts

17. The Secretary-General is proposing the establishment of one post, the conversion to a post of one position currently funded under general temporary assistance and the redeployment/reassignment of seven posts/positions. A detailed rationale of the proposed staffing changes is presented in annex II to the present report.

New posts

22. The Secretary-General is proposing the establishment of one Field Service post for an Air Terminal Officer in the Aviation Section. The incumbent would be responsible for managing and monitoring the condition of the eight remote airfields and helicopter landing sites utilized by the Mission on a daily basis, liaising closely with the Royal Moroccan Army regarding the rehabilitation of the desert landing strips, and conducting search-and-rescue plan exercises in close coordination with the local civil aviation authorities (see A/64/636, para. 24).

23. As the Secretary-General indicates in paragraph 28 of the proposed budget, the establishment of a dedicated post of Air Terminal Officer has been planned in response to the outcome of an air safety assessment visit to the Mission that took place in February 2008. Upon enquiry, the Advisory Committee was informed that such visits were conducted by the Aviation Safety Unit of the Logistics Support Division of the Department of Field Support in accordance with the procedures set out in the United Nations Aviation Safety Manual, which stipulate that missions of a similar size to MINURSO are to be visited no less than once every 12 months.

24. The Advisory Committee notes that the Mission's Aviation Section and Air Safety Unit currently comprise 22 and 2 posts, respectively. **Accordingly, the Committee recommends that the functions of the proposed new post of Air Terminal Officer be accommodated from within the existing capacity of the Mission's Aviation Section.**

Conversion

25. The Secretary-General is proposing the conversion to an established post of the position of Archiving Assistant (National General Service), which is currently funded under general temporary assistance. In support of his proposal, the Secretary-General states that the functions of the position are of a recurring nature and that, given the need for the Mission to ensure the implementation of a centralized document management and information retrieval system, a single focal point is required to coordinate with the Archives and Records Management Section at Headquarters, ensure that archiving and indexing are carried out in a specific manner, monitor and follow up on retention schedules, classify records and documents, use digitized or paper materials and coordinate records in the prescribed format (ibid., para. 26). **The Advisory Committee notes that the proposal is a resubmission of a request made in the proposed budget for the preceding period (see A/62/781/Add.15, para. 29 (b)) and reiterates its previous recommendation that the functions of the proposed post continue to be funded under general temporary assistance.**

Redeployments/reassignments

26. The Secretary-General is proposing the following seven redeployments/reassignments:

(a) One P-3 post of Political Affairs Officer from the United Nations Office executive direction and management to the Political Affairs Unit component (see A/64/636, paras. 14 and 16);

(b) One Field Service post of Security Officer from the Security Section (component 4) to the Tindouf Liaison Office (executive direction and management) (*ibid.*, paras. 15 and 21);

(c) One national General Service post of Information Technology Assistant from the Tindouf Liaison Office (executive direction and management) to the Communications and Information Technology Section (component 4) (*ibid.*, paras. 16 and 29);

(d) One P-3 post of Budget Officer and one national General Service post of Budget Clerk from the Finance Section (component 4) to the Office of the Chief of Mission Support (component 4) (*ibid.*, paras. 22 and 24);

(e) One Field Service post of Contracts Management Assistant from the Joint Logistics Operation Centre (component 4) to the Office of the Chief of Mission Support (component 4) (*ibid.*, paras. 23 and 27);

(f) One United Nations Volunteer position from the Communications and Information Technology Section (component 4) to the Personnel Section (component 4) to carry out the functions of a United Nations Volunteers Support Manager (*ibid.*, paras. 25 and 30);

The Advisory Committee has no objection to the redeployment proposed by the Secretary-General.

B. Operational costs

(United States dollars)

Apportionment (2009/10)	Proposal (2010/11)	Variance
(1)	(2)	(3)=(2)-(1)

27. The estimated operational costs for the period from 1 July 2010 to 30 June 2011 amount to $101,956,700, representing an increase of $2,992,900, or 3.0 per cent, over the apportionment for the preceding period.

Official travel

28. The estimated requirements for official travel for the 2010/11 period amount to $790,800, representing an increase of $82,400 (11.6 per cent) over the apportionment for the preceding period. The Secretary-General indicates that the increase is due primarily to additional requirements for within-Mission travel of international staff under the support component owing to a higher number of within-Mission trips to the team sites, and to additional requirements arising from a change in the modalities for the reimbursement of within-Mission travel (*ibid.*, para. 30).

29. Upon enquiry, the Advisory Committee was informed that, pursuant to General Assembly resolution 63/250, mission subsistence allowance had been discontinued for international staff serving in non-family (formerly special) missions. In lieu of mission subsistence allowance, those staff members were now entitled to the payment of post adjustment, assignment grant, rental subsidy, mobility and hardship allowance and other common system benefits, including daily subsistence allowance for official travel to locations away from their usual duty stations, either within or outside the Mission area. As MINURSO staff members travelling within the

Mission area to locations away from their usual duty location received 20 per cent of the full daily subsistence allowance.

Air transportation

30. The estimated requirements for air transportation for the 2010/11 period amount to $16,787,600, representing an increase of $3,095,100 (22.6 per cent) over the appointment for 2009/10. The Secretary-General indicates that the additional requirements are due primarily to the projected increase in costs for the rental and operation of the Mission's fleet of three medium utility MI-8MTV helicopters as a result of new contracts that will come into effect in June 2010 (*ibid.*, para. 55).

31. The Advisory Committee notes from the Secretary-General's report that the additional requirements referred to in the preceding paragraph take account of a reduction identified by management of $3,736,500 in respect of the rental and operation of helicopters (*ibid.*). Upon enquiry, the Committee was informed that, in order to mitigate the budgetary impact of recent increases in rental costs for all types of aircraft, the Secretariat had decided to implement a number of strategies, including conducting detailed analyses of the required air capabilities for each mission to ensure that the most appropriate types of aircraft were being used and that neighbouring field operations were sharing their existing capacity to a greater extent. The Secretariat had also decided to limit increases in the budgetary estimates for aircraft rental costs for the 2010/11 period to approximately 50 per cent of the increases suggested on the basis of current market prices. The Committee was further informed that limiting costs at MINURSO would be particularly challenging because of the small size of its fleet and because its isolated location meant that there were few opportunities to share assets with neighbouring missions. **The Committee notes the intention to contain air transportation costs at MINURSO and requests the Secretary-General to report on the measures taken in that regard in the context of the performance report for 2010/11.**

B. Other matters

Mine action

32. The Advisory Committee notes that the estimated resource requirements for mine detection and mine-clearing services for the 2010/11 period amount to $1,183,700. The provisions for mine clearance and mine detection take into account costs in respect of three mine action personnel (Technical Advisor, Operations Officer and Programme Officer) and the operational costs of the Mine Action Coordination Centre, including requirements for mine clearance contracts (*ibid.*, paras. 39 and 56). In paragraph 39 of the budget document, the Secretary-General indicates that, during that period, the programme of work for mine detection and clearing includes surveying, mapping, clearance and destruction of mines/ unexploded ordnance, especially along the routes used by United Nations personnel during patrols or while performing other duties. The surveying, clearance and destruction function has been contracted to a non-governmental organization dealing with demining.

33. Upon enquiry, the Advisory Committee was informed that MINURSO was striving to improve the management of information relating to mine action. In cooperation with the Geneva International Centre for Humanitarian Demining, an information management system for mine action had been installed at MINURSO

and shared with the Royal Moroccan Army and other partners in order to facilitate the recording of data on hazardous areas and demining operations. **The Committee encourages the Mission to pursue its important efforts in the area of demining, including through the dissemination of relevant information to the general public.**

Geographic Information System Unit

34. The Advisory Committee notes that, as part of the reorganization of the Mission Support Division that took place during the performance period, the Geographic Information System (GIS) Unit has been redeployed from the Engineering Section to the Office of the Chief of Technical Services. According to the Secretary-General, since the Chief of Technical Services coordinates support offered to the military and has a military observer as a deputy, it is now easier for the GIS Unit to receive information on the requirements of the military observers as well as to provide the feedback and services required (see *ibid.*, sect. V.B).

35. The Advisory Committee further notes from the supplementary information provided to it that, during the performance period, additional expenditures were incurred under information technology for (a) the acquisition of a software package owing to the unplanned need for specialized software for the GIS Unit ($21,500); (b) a servicing and support agreement with the vendor of the specialized software ($14,700); and (c) information technology services owing to the need for satellite imagery services for the GIS Unit ($44,600).

36. **The Advisory Committee recognizes the work undertaken by the GIS Unit, including the maintenance of a geo-database of all military units and assets and the production of operational and thematic maps for use by military and civilian personnel. It encourages the Mission to cooperate with GIS units in other missions in order to discuss best practices and lessons learned and, where feasible, to maximize efficiencies through the sharing of software and related services.**

Fuel management

37. In its report on the United Nations peacekeeping operations (A/64/5 (Vol. II), chap. II), the Board of Auditors observes that, at MINURSO, the fuel consumption data of generators at nine team sites were based on estimates rather than on actual consumption and that, at some team sites, the fuel consumed had remained the same for several weeks. The Board therefore reiterated its earlier recommendation that the Administration ensure that all missions strengthen their monitoring of fuel consumption patterns (*ibid.*, paras. 247 and 249). The Advisory Committee notes that, in response to the Board's observations, the Department of Field Support states that, in order to facilitate the monitoring of fuel consumption, MINURSO is planning to replace all substandard tanks with international standard tanks with flow meters and dip sticks (*ibid.*, para. 250). Upon enquiry, the Committee was informed that the Mission had ordered and received the dip sticks and was in the process of calibrating its fuel tanks. **A status update on the implementation of the Board's recommendations should be provided in the Mission's next performance report.**

Use of renewable sources of energy

38. In paragraph 9 of the proposed budget, the Secretary-General indicates that one of the priority areas identified for the 2010/11 period is the introduction of

measures to address environmental degradation, including the use of renewable sources of energy. To this end, and with a view to reducing reliance on generator fuel and electricity, it is proposed that two wind-propelled power turbines be installed at the Darod Tower communication antennas and the MINURSO logistics base, as well as solar panels at the three fuel team sites. **The Advisory Committee welcomes this initiative and trusts that information on the results achieved will be presented in the Mission's performance report for 2010/11.**

Damage to the Lajouad archaeological sites

39. The Advisory Committee notes that, in response to its previous comments concerning the damage to the Lajouad archaeological sites (see A/63/746/Add.13, para. 39), the Secretary-General indicates that, in April 2009, MINURSO engaged experts to assess the damage to the sites and the possibility of restoring them. The report by the assessment team confirmed that it would be possible to restore the sites to their original state within a period of approximately two weeks. The Secretary-General further indicates that the contract to restore the damaged sites was signed by the Mission on 10 December 2009. The restoration commenced on 11 January and was completed on 31 January 2010 (see A/64/636, sect. VIII). Upon enquiry, the Committee was informed that the value of the restoration contract amounted to $56,275. The related expenditures had been absorbed within the amount approved for the 2009/10 period and would be reflected in the corresponding performance report.

V. Conclusion

40. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2008 to 30 June 2009 are indicated in paragraph 41 of the performance report. **The Advisory Committee recommends that the unencumbered balance of $540,000, as well as other income adjustments in the amount of $1,098,500, be credited to Member States in a manner to be determined by the Assembly.**

41. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2010 to 30 June 2011 are indicated in paragraph 59 of the proposed budget. **The Advisory Committee recommends that, if the Security Council decides to extend the mandate of the Mission beyond 30 April 2010, the Assembly should appropriate an amount of $48,100,600 for the maintenance of the Mission for the 12-month period from 1 July 2010 to 30 June 2011.**

Documentation

- Performance report on the budget of the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2008 to 30 June 2009 (A/64/602)
- Budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2010 to 30 June 2011 (A/64/636)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2008 (A/64/5 (Vol. II), chap. II)
- Report of the Secretary-General on the situation concerning Western Sahara (S/2009/200 and Corr.1)
- General Assembly resolution 63/300 on the financing of the United Nations Mission for the Referendum in Western Sahara
- Security Council resolution 1871 (2009)

Annex I

Current and projected expenditures for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2009 to 30 June 2010

(United States dollars)

		1 July 2009 to 31 January 2010		*Projected 1 February to 30 June 2010*				
	Apportionment (1)	*Total expenditure (2)*	*Unencumbered balance (3)=(1) - (2)*	*Expenditure (4)*	*Total expenditure including projected (5)=(2) + (4)*	*Estimated unencumbered balance as at 30 June 2010 (6)=(1) - (5)*	*Variance (percentage) (7)=(6) ÷ (1)*	*Reasons for variance*
Military and police personnel								
Military observers	5 369 000	3 717 700	1 651 300	1 867 700	5 585 400	(216 400)	(4.0)	Overrun due to the delayed deployment factor of 0 per cent compared to the budgeted rate of 7 per cent
Military contingents	761 400	479 100	282 300	113 800	592 900	168 500	22.1	Savings due to the use of partial shipping entitlements by contingents and the lower-than-estimated costs of airfares
United Nations police	147 900	88 300	59 600	54 900	143 200	4 700	3.2	
Formed police units	—	—	—	—	—	—	—	
Subtotal	**6 278 300**	**4 285 100**	**1 993 200**	**2 036 400**	**6 321 500**	**(43 200)**	**(0.7)**	
Civilian personnel								
International staff	14 434 300	8 429 600	6 004 700	6 032 100	14 461 700	(27 400)	(0.2)	The implementation of the transition allowance resulting from the human resources reforms led to higher-than-budgeted costs
National staff	3 237 000	2 043 000	1 194 000	1 536 700	3 579 700	(342 700)	(10.6)	Overrun due to the human resources reforms, which led to the reclassification of staff from the 200 to the 100 series and resulted in higher-than-budgeted costs
United Nations Volunteers	733 800	437 500	296 300	235 200	672 700	61 100	8.3	Savings due to the non-payment of pre-departure and settling-in grant

	1 July 2009 to 31 January 2010			*Projected 1 February to 30 June 2010*				
	Apportionment (1)	*Total expenditure (2)*	*Unencumbered balance (3)=(1) - (2)*	*Expenditure (4)*	*Total expenditure including projected (5)=(2) + (4)*	*Estimated unencumbered balance as at 30 June 2010 (6)=(1) - (5)*	*Variance (percentage) (7)=(6) ÷ (1)*	*Reasons for variance*
General temporary assistance	42 000	25 700	16 300	16 000	41 700	300	0.7	
Subtotal	**18 447 100**	**10 935 800**	**7 511 300**	**7 820 000**	**18 755 800**	**(308 700)**	**(1.7)**	
Operational costs								
Government-provided personnel	43 600	21 800	21 800	15 500	37 300	6 300	14.4	No repatriation is expected to take place, although the budget provides for repatriation for two staff members
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	13 500	—	13 500	13 500	13 500	—	—	
Official travel	707 600	297 300	410 300	213 150	510 450	197 150	27.9	Savings due to fewer trips undertaken by the Office of the Special Representative of the Secretary-General owing to the post of the Special Representative being vacant for five months
Facilities and infrastructure	4 555 800	2 927 800	1 628 000	1 444 000	4 371 800	184 000	4.0	Savings due to the non-procurement of Hesco bastions for the Transport Section and to lower-than-budgeted requirements for the purchase of surveillance cameras
Ground transportation	5 284 500	4 166 400	1 118 100	1 101 100	5 267 500	17 000	0.3	
Air transportation	13 692 500	10 866 900	2 825 600	2 124 300	12 991 200	701 300	5.1	Savings due to excessive downtime of one of the Mission's three helicopters. During the first seven months of the current fiscal year, the helicopter was not available to the Mission for a total of 77 days as compared with the 40 days budgeted
Naval transportation	—	—	—	—	—	—	—	
Communications	1 574 100	889 700	684 400	684 400	1 574 100	—	—	
Information technology	1 035 900	612 900	423 000	423 000	1 035 900	—	—	

	1 July 2009 to 31 January 2010			Projected 1 February to 30 June 2010				
	Appropriation (1)	*Total expenditure (2)*	*Unencumbered balance (3)=(1)−(2)*	*Expenditure (4)*	*Total expenditure including projected (5)=(2)+(4)*	*Estimated unencumbered balance as at 30 June 2010 (6)=(1)−(5)*	*Variance (percentage) (7)=(6)÷(1)*	*Reasons for variance*
Medical	139 000	127 000	12 000	14 400	141 400	(2 400)	(1.7)	
Special equipment	127 100	—	127 100	197 900	197 900	(70 800)	(55.7)	Variance due to the additional requirements for mine action services resulting from decreased funding
Other supplies, services and equipment	1 628 600	1 179 200	449 400	426 000	1 605 200	23 400	1.4	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**28 802 200**	**21 089 000**	**7 713 200**	**6 657 250**	**27 746 250**	**1 055 950**	**3.7**	
Gross requirements	**53 527 600**	**36 309 900**	**17 217 700**	**16 513 650**	**52 823 550**	**704 050**	**1.3**	
Staff assessment income	2 188 700	1 047 600	1 141 100	1 141 100	2 188 700	—	—	
Net requirements	**51 338 900**	**35 262 300**	**16 076 600**	**15 372 550**	**50 634 850**	**704 050**	**1.4**	
Voluntary contributions in kind (budgeted)	3 048 900	8 600	3 040 300	3 040 300	3 048 900	—	—	
Total requirements	**56 576 500**	**36 318 500**	**20 258 000**	**19 553 950**	**55 872 450**	**704 050**	**1.0**	

Annex II

Summary of proposed changes in staffing by component for the period from 1 July 2010 to 30 June 2011

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Tindouf Liaison Office	- 1	P-3	Redeployment to the Political Affairs Unit
	+ 1	FS	Redeployment from the Security Section
	- 1	NGS	Redeployment to the Communications and Information Technology Section
Subtotal	- 1		
Component 2: substantive civilian			
Political Affairs Unit	+ 1	P-3	Redeployment from the Tindouf Liaison Office
Subtotal	+ 1		
Component 4: support			
Security Section	- 1	FS	Redeployment to the Tindouf Liaison Office
Mission Support Division			
Office of the Chief of Mission Support	+ 1	P-3	Redeployment from the Finance Section
	+ 1	FS	Redeployment from the Joint Logistics Operation Centre
	+ 1	NGS	Redeployment from the Finance Section
Finance Section	- 1	P-3	Redeployment to the Office of the Chief of Mission Support
	- 1	NGS	Redeployment to the Office of the Chief of Mission Support
Personnel Section	+ 1	UNV	Reassignment from the Communications and Information Technology Section
Property Management Section	- 1	NGS	Conversion to a post of the position of Archiving Assistant
	+ 1	NGS	As above
Joint Logistics Operation Centre	- 1	FS	Redeployment to the Office of the Chief of Mission Support
Aviation Section	+ 1	FS	Establishment of one post of Air Terminal Officer
Communications and Information Technology Section	+ 1	NGS	Redeployment from the Tindouf Liaison Office
	- 1	UNV	Reassignment to the Personnel Section
Subtotal	+ 1		
Total			
International	+ 1		
NGS			
UNV positions			
General temporary assistance			
	+ 1 post		

Abbreviations: NGS = national General Service; FS = Field Service; UNV = United Nations Volunteer.

United Nations

General Assembly

Sixty-fourth session
Agenda items 140 and 159

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission in the Sudan

Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Mission in the Sudan

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2008-09	
Revised appropriation for 2008-09	
Assessments	
Expenditure for 2008-09	
Unencumbered balance for 2008-09	
Appropriation for 2009-10	
Projected expenditure 2009-10[a]	
Estimated unencumbered balance for 2009-10[a]	
Proposal submitted by the Secretary-General for 2010-11	
Recommendation of the Advisory Committee for 2010-11	

[a] Estimates as at 12 February 2010

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I. Introduction

1. The recommendations of the Advisory Committee on Administrative and Budgetary Questions set out in paragraphs 76 and 78 below would entail a reduction of $30,844,900 in the proposed budget for the maintenance of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2008 to 30 June 2009 (A/62/781).

2. The general report of the Advisory Committee on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/62/781) contains the Committee's views and recommendations on a number of cross-cutting issues. In the paragraphs below, the Committee deals with matters pertaining to UNMIS that arise specifically in A/62/781.

3. In considering the proposals of the Secretary-General for UNMIS for the period from 1 July 2008 to 30 June 2009, the Committee has taken into account the recommendations of the Board of Auditors relevant to the Mission and their comments thereon, where relevant, in the paragraphs below. The report of the Advisory Committee on the report of the Board of Auditors on United Nations peacekeeping operations (A/63/746 (Vol. II), chap. II) is contained in document A/63/798.

4. The documents reviewed and used for background by the Advisory Committee in its consideration of the financing of UNMIS are listed at the end of the present report.

5. The Advisory Committee notes the overall improvements in the presentation of the reports on performance for 2006/07 (A/62/768) and on the proposed budget for 2008/09 (A/62/781). However, the Committee also notes that the report on the proposed budget does not set out the progress attained in the implementation of the changes in the Mission's operational strategy from a sector-level to a State-level concept, as sufficiently relate the proposed requirements for 2008/09 to its implementation. The Committee comments further on this matter in paragraph 22 below.

II. Financial performance report for the period from 1 July 2006 to 30 June 2007

6. By its resolution 61/267, the General Assembly appropriated an amount of $838,726,600 gross ($801,870,500 net) for the maintenance of the Mission for the period from 1 July 2006 to 30 June 2007. The total amount was assessed on Member States. On the basis of the prevailing pattern of expenditure during the first seven months of the 2006/07 financial period, major funding shortfalls were projected across three major areas, namely, personnel, fuel and aircraft rental. Consequently, the Secretary-General, in a note on financing arrangements for UNMIS for the period from 1 July 2006 to 30 June 2007 (A/61/736), requested that the General Assembly appropriate an amount of $34,277,240 for the maintenance of the Mission for the period from 1 July 2006 to 30 June 2007 in addition to the amount of $838,726,600 already appropriated for the Assembly for the same period in its resolution 61/267. On the basis of the recommendations of the Advisory Committee (A/61/[illegible], para. 12), the General Assembly appropriated an additional amount of

[illegible]

10. The Advisory Committee comments further on the information presented in the performance report (A/64/660) on individual objects of expenditure, where relevant, in the discussion of the proposed budget for the period from 1 July 2010 to 30 June 2011 (A/64/643) in the paragraphs below.

11. The Board of Auditors issued specific observations and recommendations with respect to UNMIS for the period 2008/09, indicating lack of internal control in the creation and cancellation of obligations for the purchase of fuel, anomalies in the procurement process for a new rations contract, persistent high turnover rates, high vacancy rates and extensive recruitment lead times, the need to recover from the contractor the cost of fuel consumption for maintenance and other uses, lapses in management with respect to the Information Security Unit, with a consequent adverse impact on the information and communications technology governance structure of the Mission, and the need to make further efforts to improve the implementation of quick-impact projects. The Committee notes from the report of the Board that the initial response of the administration indicates that corrective action has been taken on most issues. The Committee comments further on these matters in the paragraphs below (see also para. 3 above). **The Advisory Committee expects that the Mission will fully implement all the recommendations of the Board in a timely manner. The Committee considers that the recurring recommendations and observations of the Board of Auditors reflect continued shortcomings in terms of compliance with relevant financial rules and regulations as well as weaknesses in administration at all levels of management. The Committee stresses the need to address root causes in order to improve accountability and management at all levels.**

III. Financial position and information on performance for the current period

12. The Advisory Committee was informed that, as at 12 February 2010, a total of $4,861,844,000 had been assessed on Member States in respect of UNMIS since its inception. Payments received as at the same date amounted to $4,401,748,000, leaving an outstanding balance of $459,296,000. As at 8 February, the cash position of the Mission was $420,900,000. Taking into account a three-month operating reserve of $100,392,000, the Mission's cash shortfall as at 8 February 2010 amounted to $81,512,000.

13. The Advisory Committee was informed that, as at 1 January 2009, an amount of $9,879,000 was owed for troop-cost reimbursement and $24,437,000 for contingent-owned equipment. There were 40 signed memorandums of understanding, 3 remained in draft form. In respect of death and disability compensation, $436,200 had been paid for 18 claims since the inception of the Mission, and 8 claims were pending. There were unliquidated obligations amounting to $2,39,700. **The Advisory Committee expects that those claims will be settled expeditiously.**

14. The Advisory Committee was informed that, as at 12 February 2010, the incumbency for UNMIS for the period from 1 July 2009 to 30 June 2010 was as follows:

Military observers	132	495	500	132
Military contingent personnel	9 440	9 440	9 440	9 440
United Nations police	715	715	715	715
International staff	2 330	2 330	2 330	2 330
National staff	2 294	2 294	2 294	2 294
Temporary international staff	45	45	45	45
Temporary national staff	45	45	45	45
United Nations Volunteers	429	429	429	429

[a] Represents the highest authorized strength for the period.

[b] Represents the highest planned strength for the period.

15. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2009 to 30 June 2010 (see annex). Expenditures for the period as at 31 January 2010 amounted to $406,666,600. At the end of the current financial period, the estimated total expenditures would amount to $947,475,100 against an appropriation of $958,350,200.

16. The Advisory Committee was informed that the Mission had projected electoral costs of $24 million for the current period, to be funded from within existing resources after reprioritizing and redeploying provisions initially planned for other requirements.

IV. Proposed budget for the period from 1 July 2010 to 30 June 2011

A. Mandate and planned results

17. The mandate of UNMIS was established by the Security Council in its resolution 1590 (2005). The most recent extension of the mandate of the Mission, until 30 April 2010, was authorized by the Security Council in its resolution 1870 (2009).

18. Upon request, the Advisory Committee was provided with the electoral calendar. As no referendum commission has yet been established, no official dates are available other than what is set out in the Comprehensive Peace Agreement. Both referendums are to be held on 9 January 2011, with voter registration beginning on 9 July 2010. The referendum for Southern Sudan will determine whether Southern Sudan remains part of a united Sudanese State or declares its independence and becomes a new State. The referendum for Abyei will determine whether Abyei retains its current administration status within Northern Sudan or is transferred to Southern Sudan.

19. As indicated in section I.B of the proposed budget for 2010/11 (A/64/632), UNMIS will focus during the period on providing support for the conduct of referendums in Southern Sudan and Abyei. However, the scope of the support to be provided will be determined only after the Referendum Commissions have been

established and a detailed request for support from the United Nations has been issued. As indicated in paragraph 36 of the proposed budget, the current mandate may require a review in order to clarify scope and expectations with regard to the role of UNMIS in the referendums.

20. The Advisory Committee was informed that the Comprehensive Peace Agreement was being implemented over a period of six years ending in July 2011. That date coincides, more or less, with the end of the 2010/11 budget period. The remaining Comprehensive Peace Agreement milestones include the nationwide election, the North-South border demarcation, the conduct of the popular consultations in the Blue Nile and Southern Kordofan states and the Southern Sudan and Abyei referendums.

21. The Advisory Committee was informed that, as resource requirements for the referendums have not yet been determined, no provision for them has been included in the budget proposal for 2010/11. Support is expected to be required from July 2010 to February 2011. UNMIS electoral staff will shift their focus to the referendums following the elections. The Mission will continue to provide support with the provision of, inter alia, communications, office space, equipment and transport. The Mission expects to divert existing resources and concentrate its efforts to support the referendums during the lead-up in a manner similar to that in which it assisted with the conduct of the census in 2008 and the voter registration in 2009.

22. The Secretary-General indicates in his budget report that the Mission will continue to have a unified, area-based and decentralized organizational structure in the 2010/11 period (A/64/632, para. 6). The Mission changed its concept of operations from a sector-level to a State-level approach in 2009/10 in order to align its substantive component with the political and administrative structures in the Sudan. The Advisory Committee recalls that, in view of the significant resources required in 2009/10 to support the implementation of the revised concept of operations, it had requested that the effectiveness of the concept be kept under review and reported to the General Assembly in the context of the budget proposal for 2010/11 (A/63/746/Add.5, para. 21). The Committee notes that the Secretary-General has provided some information on this issue in section V.B of the proposed budget. **The Advisory Committee regrets that a full assessment has not been provided in the proposed budget and expects that a more comprehensive and transparent picture of the effectiveness of the concept will be provided in the next report on the financing of UNMIS.**

23. The Advisory Committee notes that the office in Khartoum will continue to serve as Mission headquarters and the office in Juba as the regional headquarters for Southern Sudan (A/64/632, para. 6). The Committee was informed that the UNMIS locations include the office in Khartoum; the office in Juba; the logistics base in El Obeid; Port Sudan; 19 team sites (8 located in northern regions and 11 in southern regions), 6 sector headquarters and 6 demobilization sites. All team sites have a military and police presence as well as support staff deployed to provide administrative, logistics and security support.

24. In 2010/11, the Mission would continue to deploy staff from sector headquarters to the 10 state capitals in Southern Sudan, with a view to more effective programme delivery. The Government of Southern Sudan is structured along 10 states, while UNMIS civilian personnel within the substantive areas are

established in three sectors in the South. The Mission will implement a further decentralization of Mission Support functions from Khartoum to the regional office in Juba in preparation for the referendums. The Deputy Director of Mission Support, the Deputy Chief of Integrated Support Services and other support personnel will be redeployed to Juba (A/64/632, paras. 9 and 16).

25. With regard to the determination of the North-South border, the Advisory Committee was informed that the parties intend to complete the physical border demarcation during the forthcoming dry season (August to December 2010). The Mission has been reviewing its current staffing complement to identify posts that could be redeployed in the likely event of a request for assistance. The Mission may be requested to provide technical advice, assistance with surveying, satellite imagery and the transport of experts to remote locations.

26. As regards popular consultations in the Blue Nile and Southern Kordofan states, the Advisory Committee was informed that plans were to hold these from May 2010 to January 2011. If the parties disagree over the results, an arbitration process lasting an additional three to four months is foreseen, which would end after the referendum. UNMIS will be requested to provide logistical support and technical advice to the relevant national and local authorities.

B. Resource requirements

27. The proposed budget for UNMIS for 2010/11 amounts to $977,369,700, representing an increase of $18,959,500, or 2 per cent, in gross terms, compared with the total appropriation for 2009/10 of $958,350,200. An analysis of variances is provided in paragraphs 135 to 149 of the proposed budget (A/64/632), and efficiency gains of $6.4 million are explained in its section II.D. **The Advisory Committee requests that the Mission continue to strive to achieve efficiency gains and that those proposed for 2010/11 be reflected in the performance report for the period.**

28. Additional requirements are attributable mainly to:

(a) Military contingents ($16 million), resulting from the expected 15 per cent increase in rations costs, the higher cost of troop rotation and higher major equipment requirements based on the signed memorandums of understanding;

(b) United Nations police ($1.9 million), due to the proposed reduced deployment factor for the United Nations police from 7 per cent in 2009/10 to 1 per cent in 2010/11;

(c) National staff ($10.6 million), due to the application of a higher average national salary scale and of the projected World Bank rate of exchange for 2011 in calculating national staff costs;

(d) Air transportation ($7.2 million), due to higher guaranteed and hourly rental and operational contractual costs;

(e) Bank charges in Southern Sudan ($2.9 million), based on arrangements with local banks for banking services and the provision of banking facilities to make payments for disarmament, demobilization and reintegration requirements in the Northern and Southern regions of the Sudan.

(f) Contractual and personnel costs ($1.8 million) for mine detection and mine-clearing services.

29. The above-mentioned increases in requirements would be offset by lower requirements in connection with the following:

(a) International staff ($0.7 million), due to the application of a 26 per cent delayed recruitment factor, compared with 22 per cent applied for 2009/10;

(b) Adjustments to the United Nations House construction programme in Juba ($9.5 million) and a reduction in the proposed maintenance contracts for all Mission locations;

(c) Communications and information technology equipment ($6.3 million) as the Mission minimizes replacements in line with standard guidelines, as well as the utilization of the least costly routes for commercial communications;

(d) Lower acquisition rates for replacement vehicles, spare parts, petrol, oil and lubricants ($4.0 million).

30. The budget provides for the planned deployment of 525 military observers, 9,450 military contingent personnel, 715 United Nations police personnel, 1,098 international staff, 3,078 national staff, 420 United Nations Volunteers, 40 Government-provided personnel and 89 temporary positions funded under general temporary assistance.

1. Military and police personnel

Category	*Approved 2009/10*[a]	*Proposed 2010/11*[a]	*Variance*
Military observers	525	525	—
Military contingent personnel	9 450	9 450	—
United Nations police	715	715	—

[a] Represents the highest authorized strength for the period.

31. The proposed budget for military and police personnel for the period from 1 July 2010 to 30 June 2011 amounts to $327,840,000, an increase of $18,012,400, or 5.8 per cent, compared with the apportionment for 2009/10 of $309,827,600. Delayed deployment factors applied to the estimates are 5 per cent for military advisers, 1 per cent for military contingents and 1 per cent for United Nations police.

32. The analysis of variances shows that the additional requirement for military contingents amounting to $16 million is due mainly to the 15 per cent increase in rations costs that is expected when the current rations contract expires in July 2010; higher cost of troop rotations, based on the actual average 2008/09 rotation cost of $2,055 per person, compared with $1,611 budgeted, and recreational leave allowance; and higher major equipment requirements, based on the existing memorandums of understanding, in line with the recommendations resulting from a military capability study carried out by UNMIS in 2008.

33. The Advisory Committee was informed that, on the basis of those recommendations, three new units were being deployed to UNMIS, including a level II hospital and engineering and transport companies. The approximate cost of

additional major equipment amounts to some $2.4 million. These units have been negotiated, and the predeployment visits have been conducted. Some of the major equipment has been deployed, and there will be further deployment shortly. The study has also resulted in an increase in major equipment for three infantry battalions. Additional major equipment for those three reinforced battalions is under deployment and results in an approximate increase in major equipment costs of $5.3 million per annum.

34. The Advisory Committee was also informed that the additional contingent-owned equipment described above was not included in the 2009/10 cost estimates, as it had been foreseen that equipment from the downsizing demining units from four troop-contributing countries would be reallocated to the reinforced units. However, this has not been the case. In addition, when the 2009/10 budget was being prepared, the Force requirements detailing the extra contingent-owned equipment needed for these new/reinforced units were not available, so it was not known that additional equipment would be required. Additional funds are needed for specialized major equipment, the bulk of which pertains to the Force Riverine Unit. The unit was deployed with a number of special case items for which no reimbursement rate had been established in the Contingent-owned Equipment Manual at the time of deployment. As a result, those items were listed only in the memorandum of understanding, and their costs were to be reimbursed once a reimbursement rate had been established. The rates for these special case items were recently approved, and those amounts are incorporated into the 2010/11 budget. The additional requirements for the Force Riverine Unit amount to $825,000. The increased requirement for freight costs for movement of contingent-owned equipment is due to the additional provision made for sea and inland transportation costs for 16 armoured personnel carriers and other replacements/additional contingent-owned equipment requirements, agreed with troop-contributing countries at some 1 per cent of the contingent-owned equipment value of $60 million, or $600,000.

35. **With reference to increases in troop rotation costs, the Advisory Committee recommends that the General Assembly request the Secretary-General to seek the most cost-effective means for such rotations and, in this connection, that he explore the feasibility of long-term charters, taking into account the concentration of troops in the region (see also para. 51 below).**

2. Civilian personnel

Category	*Approved 2009/10*	*Proposed 2010/11*	*Variance*
International staff	1 101	1 098	(3)
National staff	3 258	3 078	(180)
United Nations Volunteers	420	420	—
Temporary positions	89	89	—
Government-provided personnel	40	40	—

36. The proposed budget for civilian personnel for the period from 1 July 2010 to 30 June 2011 amounts to $233,811,900, an increase of $9,688,700, or 4.3 per cent, compared with the revised apportionment for 2009/10 of $224,123,400. A vacancy factor of 26 per cent has been applied to the cost estimates for international staff,

20 per cent for National Professional Officers, 15 per cent for national General Service staff, 36 per cent for United Nations Volunteers, and 5 per cent for Government-provided personnel (A/64/632, para. 114). **In view of the current vacancy rate for international staff (see para. 14 above), the Advisory Committee recommends that a vacancy factor of 28 per cent be applied to the cost estimates for international staff.**

Recommendations on posts

37. The proposed budget reflects a net decrease of three international posts as well as a net reduction of 180 national posts associated with the contracting out of security services (the abolition of 184 national Security Guard posts, offset by the conversion of 2 P-3 and 2 Field Service posts to the national staff category) (see A/64/632, table 6). **With regard to the Mission's strategy of outsourcing security services, the Advisory Committee recommends that the lessons learned on the outsourcing experience be shared with other missions and related efficiency gains documented.**

38. The Secretary-General proposes the establishment of a D-1 post under the security component for the Deputy Force Commander (A/64/632, para. 24). **In view of the need to provide continuity and manage the demands and complexity of the operating environment, the Advisory Committee recommends approval of the proposal.**

39. The Secretary-General also proposes the reclassification of two international staff posts from the P-3 to the P-4 level for the Regional Demobilization Officer positions, one in Khartoum and one in Juba, in the disarmament, demobilization and reintegration programme, under the humanitarian assistance, recovery and reintegration component (A/64/632, table 5 and para. 82). The Committee comments further on the disarmament, demobilization and reintegration programme in paragraphs 55 to 59 below. **For the reasons provided in paragraphs 85 to 88 of the proposed budget (A/64/632), the Advisory Committee recommends approval of the proposed reclassifications.**

40. The Advisory Committee takes note of the information provided in section V.A of the budget report on the actions taken to ensure that vacant posts are filled expeditiously and on the factors that continue to adversely affect those efforts. The Secretary-General indicates in his report that the Mission has been proactive in attempts to fill vacancies by clearing candidates for rosters, announcing vacancies on Web relief sites, conducting recruitment campaigns and providing guidance and increased assistance to programme managers in the process.

41. Upon enquiry, the Advisory Committee was informed that since the Mission's inception, 229 international staff members had left the Mission within one year of being assigned, including 5 other mission local staff from other missions on assignment to UNMIS. Of the international staff members who left the mission after one year, 204 transferred to other missions. The Committee notes that the high rates of staff turnover and vacancy at UNMIS hinders the effective functioning of the Mission and may also have significant financial ramifications. **The Advisory Committee remains concerned about the high rates of staff turnover and vacancy at UNMIS, which have not only an impact on the effectiveness of the functioning of the Mission but also significant financial consequences. In this connection, the Committee recalls paragraph 31 of its general report on**

peacekeeping operations (A/63/746), in which it expressed its view that measures should be taken to support a minimum period of assignment and that the practice of allowing staff who have arrived recently to be recruited by other missions should be curtailed.

3. Operational costs

(United States dollars)

Apportioned 2009/10	*Proposed 2010/11*	*Variance*
424 399 400	415 657 800	(8 741 600)

42. The estimated operational requirements for the period from 1 July 2010 to 30 June 2011 reflect a decrease of $8,741,600, or 2.1 per cent, compared with the apportionment for 2009/10 of $424,399,400. The decrease is attributable mainly to lower requirements under:

(a) Facilities and infrastructure ($9,476,400), due mainly to reduced requirements in the construction programme of the United Nations House in Juba, lower maintenance services costs, lower requirements for the replacement of generators and for accommodation equipment and lower requirements in connection with the replacement of security and safety equipment, offset by additional requirements primarily for the outsourcing of security services and for the alteration and renovation of facilities, including repair of roads and bridges, airfield and helipad maintenance and extension of the Juba logistics base at the current UNMIS location;

(b) Ground transportation ($3,983,700), due mainly to the Mission's policy of reallocating vehicles from Khartoum to the sectors and compensating for the lower number of vehicles with dispatch services, and reducing the number of buses to be written off during the period; lower requirements for spare parts due to the outsourcing of repairs of light vehicles, material handling equipment, engineering vehicles and trucks, as well as lower planned consumption of petrol, oil and lubricants;

(c) Communications ($5,559,900), resulting mainly from a reduction in the acquisition of communications equipment as the Mission minimizes replacement on the basis of the policy guidelines specifying a 7-year lifespan for equipment or up to 15 per cent of total stock, whichever is lower; lower requirements are also projected in commercial communications owing to the use of satellite bandwidth within the Mission to meet the necessary requirements in the South;

(d) Information technology ($761,200), resulting from a lower planned equipment replacement rate, as much of the information technology equipment will be replaced in the 2009/10 budget period.

43. The lower requirements mentioned above would be offset by additional requirements mainly for:

(a) Air transportation ($7,225,400), due to the projected higher contractual costs of guaranteed flight hours of fixed-wing aircraft, on the basis of existing contracts; and a projected increase in contractual hourly rates from an average of $673 per hour to $1,223 per hour, as well as an increase in contractual rates for helicopters;

(b) Other supplies, services and equipment ($3,344,200), resulting mainly from higher requirements ($2.9 million) for the provision of banking services in the South, on the basis of memorandums of understanding with local banks, and for disarmament, demobilization and reintegration payments in the Northern and Southern regions, as well as $1.8 million for contractual and personnel costs for mine detection and mine-clearing services, offset in part by lower freight costs and lower requirements for rations packages for ex-combatants in the disarmament, demobilization and reintegration programme.

44. The Advisory Committee notes that, in addition to continuing its strategy of outsourcing security guard services, the Mission will also outsource major vehicle-maintenance services to improve efficiencies as well as to reduce spare-parts holdings. The Mission also expects efficiencies from the full operation of the electronic movement of personnel (e-MOP) system (A/64/632, para. 90).

Facilities and infrastructure

45. Estimated requirements for facilities and infrastructure for the period 2010/11 total $96,672,400, a decrease of $9,476,400 (8.9 per cent) compared with the apportionment of $106,148,800 for 2009/10.

46. The Advisory Committee was informed that no construction projects are planned for the North. The largest construction project in the period 2010/11 is the expansion of the United Nations House in Juba to accommodate all UNMIS civilian personnel in one compound and the construction of permanent accommodation. Furthermore, the Mission will also expand the Juba logistics base to support the delivery of supplies through Kenya and Uganda.

47. In its report on the proposed budget for 2009/10, the Advisory Committee requested an update on the construction of permanent United Nations-provided accommodation structures and on the status of the Mission's other construction projects (A/63/746/Add.5, para. 45). The Committee notes from the information provided in section VB of the proposed budget for 2010/11 (A/64/632) that, given the time frame for UNMIS to implement the various construction projects throughout the Mission area, the limited capacity and the short time frame available during the dry season to undertake any construction work, the Mission determined that permanent structures would be built to cater for any shortfalls in accommodation requirements for staff in sector headquarters as a result of the reconfiguration of military units and the additional presence of substantive personnel at the state level, before any replacement of existing hard-wall accommodation.

48. The Advisory Committee notes that in the 2009/10 period, efforts are being made to erect permanent units in each location to address the shortfall in requirements and to attract remaining staff members living in non-United Nations-provided accommodations. Future construction will depend on the demand generated. It was found that some personnel, mainly United Nations police and military observers, preferred to reside in basic, non-United Nations-provided accommodations, which cost less than $21 per day. This was not, however, an option for civilian staff. It is expected that the construction for civilian personnel will be completed by 31 December 2010. The Mission has also continued to improve other facilities and services so as to encourage personnel to reside in United Nations-provided accommodations. The proportion of civilian personnel

based in the sectors and team sites who live in United Nations-provided accommodations increased from 21 per cent in June 2008 to 73 per cent in June 2009, reducing the mission subsistence allowance expense and the security risk. In the period 2008/09, the Mission had a limited capacity to undertake construction projects, and not all personnel assigned to the field were willing to reside in team site accommodations (A/64/566, para. 24). **The Advisory Committee notes the various tasks that the Mission intends to undertake and expects that progress will be reported in the performance report.**

49. In paragraph 63 of its report on the proposed budget for UNMIS for 2009/10 (A/63/746/Add.5), the Advisory Committee requested the Mission to explore the feasibility of setting up a southern resupply chain from Mombasa through Entebbe and of establishing a second logistics base in Juba, and to report on progress in that regard in its next budget submission. In the proposed budget for 2010/11, the Secretary-General indicates that the southern supply route is currently being used minimally with equipment from the Communications and Information Technology Section, where shipments are delivered from Entebbe or being transported by sea through Mombasa. The contingent-owned equipment for military contingents deployed in the southern region will also be shipped through Mombasa and transported either through Kenya or Uganda. As the Juba logistics base is expected to be fully operational in 2010/11, more acquisitions will be routed through Mombasa/Entebbe once it has been completed. The use of the southern supply route is expected to result in faster delivery times for the locations in the Southern region. Port Sudan will continue to be used for shipments to Khartoum and the Northern region (A/64/632, sect. V.B). **The Advisory Committee expects that full information on the measures taken to utilize the southern supply route and the consequent efficiency gains will be provided in the performance report for the period (A/63/746/Add.5, para. 63).**

Air transportation

50. The estimates for air transportation for the period 2010/11 total $164,106,100, an increase of $7,225,400 (4.6 per cent) compared with the apportionment for 2009/10 of $156,880,700. The provision will cover the requirements for the operation and maintenance of 11 fixed-wing and 28 rotary-wing aircraft throughout the Mission, including 2 fixed-wing aircraft cost-shared with UNAMID; 20,896 flight hours (9,290 flight hours for 11 fixed-wing aircraft and 11,606 flight hours for 28 rotary-wing aircraft), including scheduled domestic and regional flights for passengers and cargo, troop rotation, special flights, casualty and medical evacuation flights, air patrols and observation flights, firefighting services at locations where UNMIS operates its flights; and the supply of 22.8 million litres of petrol, oil and lubricants for air operations.

51. The Advisory Committee notes that UNMIS will continue to provide support to UNAMID in Khartoum, El Obeid and Port Sudan, and to coordinate efforts with UNAMID to economize and increase efficiency in air operations (A/64/632, para. 57). **The Advisory Committee believes that UNMIS should continue to explore further the feasibility of joint UNMIS-UNAMID air operations, particularly the utilization of long-term charters for troop rotation.** The Advisory Committee was informed, upon enquiry, that the UNMIS 2010/11 budget is based on costing assumptions derived from the current, most recent contract information pertaining to 2008/09. Upon request, the Committee was provided with

a list of UNMIS air transportation contracts for 2008/09 and contracts due for renewal during the 2010/11 period.

52. Despite the possibility of delays in the subsequent contract awards, the Advisory Committee was informed that the priority was to provide continuous, uninterrupted service to UNMIS, and measures including the extension of existing contracts may be taken to preclude any adverse operational effect. The Committee was informed that the Mission did not expect that any delays and gaps in the air transportation contracts would result in budgetary savings. **The Advisory Committee requests the Secretary-General to provide a timeline of these delays directly to the General Assembly for its consideration of the proposed budget for UNMIS for 2010/11.**

Quick-impact projects

53. As in the previous period, estimated requirements for quick-impact projects for the period 2010/11 total $1,000,000. The implementation of quick-impact projects during 2008/09 proved difficult, as a large number of them were approved and begun in 2007/08 and were still pending in 2008/09. The Mission has undertaken a comprehensive analysis of the root causes of the failure to implement quick-impact projects as planned; issued revised administrative instructions; and briefed and trained focal points on project management and military and civilian project officers. The Secretary-General indicates that for 2009/10, the mission is on track to implement quick-impact projects within the three-month time frame (A/64/632, section V.B). The Advisory Committee was informed that examples of quick-impact projects undertaken by the Mission to strengthen its credibility and standing in the community include the drilling of boreholes, the construction in a number of communities of toilet facilities as well as police stations and facilities for detainees and prisoners, a school and agricultural projects to assist communities in growing their own food.

Conclusion

54. **The Advisory Committee recommends an overall reduction of $35 million under operational costs in view of a number of factors, including the potential to make more extensive use of the less costly southern supply route and the need to take measures to contain projected costs for civilian aircraft rentals, as well as past expenditure patterns.**

V. Other matters

Disarmament, demobilization and reintegration

55. The estimated resource requirements for the disarmament, demobilization and reintegration programme for the period 2010/11 amount to $35 million ($15.2 million for civilian personnel and $19.8 million for operational costs, including $16.4 million for disarmament, demobilization and reintegration support for the voluntary demobilization of up to 40,000 combatants at $400 per person for transportation, resettlement and reinsertional support services plus $0.4 million for non-food items) (A/64/632, paras. 120-124).

56. The Advisory Committee was informed that, as at present, there were 297 substantive and support posts for disarmament, demobilization and reintegration activities, 95 posts are encumbered, 44 are under recruitment and 110 are vacant. Upon request, the Committee was provided with disarmament, demobilization and reintegration estimates and actual expenditures for operational costs (excluding staff costs) from the inception of the Mission, as follows:

(Thousands of United States dollars)

Period	Budget	Expenditure	Unencumbered	Utilization (Percentage)
2005/06	12 000	16	11 984	0.13
2006/07	69 775	7 139	62 636	10.24
2007/08	24 750	1 540	23 210	6.22
2008/09	23 600	9 687	14 913	41.73
2009/10*	28 076	28 076	none	100

* 2009/10 includes projections as at 31 January 2010.

57. The Advisory Committee was informed that the Mission was continuing to support the disarmament, demobilization and reintegration programme by providing support to the State offices and mobile and semi-permanent demobilization sites. The construction of State offices is now complete, and other construction in Northern and Southern Sudan is ongoing. As the disarmament, demobilization and reintegration programme enters the second phase during 2010/11, it is anticipated that the disarmament, demobilization and reintegration Commissions will need to penetrate further into the local communities where significant numbers of ex-combatants are living. In order to carry out demobilization activities far from existing facilities, the Mission will form up to four air portable demobilization teams, with two teams in the transitional areas and two in Southern Sudan (A/64/632, paras. 83 and 84). **The Advisory Committee believes that with the changed concept for the disarmament, demobilization and reintegration programme involving the use of mobile teams, the staffing requirements of the programme should be reviewed, bearing in mind that the significant staffing increases in 2009/10 were based on a more static approach (see para. 39 above).**

58. The Advisory Committee was informed that the United Nations Development Programme (UNDP) is the lead agency on reintegration for the whole of the Sudan, including Darfur. To date, more than 20,000 ex-combatants and members of special-needs groups have been demobilized through the United Nations disarmament, demobilization and reintegration programme. This represents about 30 per cent of the current caseload of 64,000 persons. The first demobilization exercise was launched about a year ago in Blue Nile state and was successfully completed in August 2009. Since then, two more demobilization centres have become operational in Southern Kordofan state, while a third site, north of Abyei, is currently being considered. At the same time, former combatants of the Sudan People's Liberation Army are being demobilized in Southern Sudan. Reintegration support is being provided to the first group of demobilized participants.

59. The Advisory Committee was also informed that an independent assessment of the disarmament, demobilization and reintegration registration and verification

previous had recently identified several areas of concern related mainly to the identification of participants in the disarmament, demobilization and reintegration programme and verification of their eligibility for the programme. The findings of the assessment have been analysed, and respective mitigation measures are being developed by all stakeholders to ensure a proper and transparent verification process as well as the continued commitment of all parties to the programme. The reintegration of demobilized ex-combatants suffered significant delays in Blue Nile and Southern Kordofan states, mostly because of disagreements between UNDP and the relevant national authorities over contracting modalities and the use of international implementing partners. Those issues were finally resolved in October 2009, and reintegration support is now forthcoming, albeit though at a slow pace, owing to a shortage of qualified national and available international implementing partners.

Mine detection and mine-clearing services

60. The estimates for mine detection and mine-clearing services for the period 2010/11 amount to $43.3 million. In order to implement the mine action component of the UNMIS mandate, the mine action programme aims to maintain the same mine action capacity as in 2009/10, as it has been determined that these assets will be required throughout the transition to national responsibility, which should be completed in 2011. For 2010/11, estimates include provisions for 34 international and 57 national staff ($7,620,600); contracts for route verification, technical survey, emergency clearance, line of engagement clearance, rent and aircraft charter ($11,449,000); official travel ($327,000); equipment ($695,600); and the balance of $3,206,600 for United Nations Office for Project Services support and services and the management fee (A/64/632, paras. 125 to 129).

61. Upon enquiry, the Advisory Committee was informed that the United Nations Mine Action Office, which is mandated to provide humanitarian demining assistance, technical advice and coordination, is actively working in partnership with the national mine action authorities to transition mine action activities to full national ownership by June 2011. The transition is being carried out through on-the-job training and mentoring and the provision of office space and equipment. On-the-job training is currently being conducted for a total of 24 national staff from the Southern Sudan Demining Commission and the National Mine Action Centre. In addition, five training courses are being held at Cranfield University, Nairobi, for eight staff members from both the Centre and the Commission. It is expected that course participants will acquire a strong skills and knowledge base in the areas of resource mobilization, quality management training, process management, information management and project management, so that mine action can continue to develop at both the national and programmatic levels.

62. The Advisory Committee was informed that the United Nations Mine Action Office would mentor key personnel from the Southern Sudan Demining Commission and the National Mine Action Centre by co-locating some of its personnel within Commission and Centre offices and vice versa. During the 2010/11 period, national staff would observe international staff members carrying out their respective roles. After the observation period, national staff would participate in day-to-day decision-making processes with the international staff to which they have been assigned. Finally, the national staff would assume the decision-making role within the

mentoring, with the international staff continuing to monitor and advise as necessary.

63. The Advisory Committee was further informed that the United Nations Mine Action Office was providing technical assistance and equipment to the Joint Integrated Demining Units. These teams are being trained to international standards so that they can address any residual landmine contamination following the transition of mine action to the national authorities. It is anticipated that the teams will be fully trained and accredited by March or April 2010, at which time they will be deployed with existing demining teams.

VI. Conclusion

64. The actions to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2008 to 30 June 2009 are indicated in paragraph 71 of the performance report (A/64/566). **The Advisory Committee recommends that (a) the unencumbered balance of $10,788,300, representing the difference between the total amount assessed of $871,276,400 and the expenditure of $860,488,100, and (b) other income for the period ended 30 June 2009 amounting to $37,698,800 from interest income, miscellaneous income and adjustments, be credited to Member States in a manner to be determined by the General Assembly.**

65. The actions to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2010 to 30 June 2011 are indicated in paragraph 150 of the proposed budget (A/64/632). **Subject to its comments and observations in the paragraphs above, the Advisory Committee recommends that the General Assembly appropriate an amount of $938,345,400 for the maintenance of the Mission for the 12-month period from 1 July 2010 to 30 June 2011, should the Security Council decide to extend the mandate of UNMIS beyond 30 April 2010.**

Documentation

- Performance report on the budget of the United Nations Mission in the Sudan for the period from 1 July 2008 to 30 June 2009 (A/64/566)
- Budget for the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/64/632)
- Report of the Secretary-General on the Sudan (S/2010/31)
- Report of the Secretary-General on the Sudan (S/2009/61)
- Financial report and audited financial statements for the 12-month period from 1 July 2008 to 30 June 2009 and report of the Board of Auditors on United Nations peacekeeping operations (A/64/5 (Vol. II))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2007 to 30 June 2008 and proposed budget for the period from 1 July 2009 to 30 June 2010 of the United Nations Mission in the Sudan (A/63/746/Add.5)

- General Assembly resolutions 63/273 and 62/267 on the financing of the United Nations Mission in the Sudan
- General Assembly resolutions 61/276 and 59/296 entitled "Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: cross-cutting issues"
- Security Council resolutions 1812 (2008) and 1891 (2009)

Annex

Current and projected expenditures of the United Nations Mission in the Sudan for the period from 1 July 2009 to 30 June 2010

(Thousands of United States dollars)

	1 July 2009 to 31 January 2010			*Projected to 30 June 2010*			
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2010*	*Variance (percentage)*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)/(1)*
Military and police personnel							
Military observers	26 430.9	15 817.2	10 613.7	10 802.8	26 620.0	(189.1)	(0.7)
Military contingents	248 359.8	127 153.0	121 206.8	101 788.7	228 941.7	19 418.1	7.8
United Nations police	35 036.9	21 385.7	13 651.2	15 451.1	36 836.8	(1 799.9)	(5.1)
Formed police units	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	**309 827.6**	**164 355.9**	**145 471.7**	**128 042.6**	**292 398.5**	**17 429.1**	**5.6**
Civilian personnel							
International staff	147 362.5	77 081.8	70 280.7	73 170.1	150 251.9	(2 889.4)	(2.0)
National staff	57 336.7	31 595.8	25 740.9	26 365.1	57 960.9	(624.2)	(1.1)
United Nations Volunteers	12 306.6	9 203.5	3 103.1	6 573.9	15 777.4	(3 470.8)	(28.2)
General temporary assistance	7 117.4	3 239.4	3 878.0	2 661.8	5 901.2	1 216.2	17.1
Subtotal	**224 123.2**	**121 120.5**	**103 002.7**	**108 770.9**	**229 891.4**	**(5 768.2)**	**(2.6)**
Operational costs							
Government-provided personnel	1 743.4	917.9	825.5	661.9	1 579.8	163.6	9.4
Civilian electoral observers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consultants	486.1	311.0	175.1	172.6	483.6	2.5	0.5
Official travel	5 220.2	4 741.3	478.9	3 840.2	8 581.5	(3 361.3)	(64.4)
Facilities and infrastructure	106 148.8	53 716.2	52 432.6	47 858.9	101 575.1	4 573.7	4.3
Ground transportation	24 713.8	17 084.5	7 629.3	4 708.9	21 793.4	2 920.4	11.8
Air transportation	156 880.7	110 449.4	46 431.3	53 083.5	163 532.9	(6 652.2)	(4.2)
Naval transportation	107.4	82.4	25.0	16.7	99.1	8.3	7.7
Communications	26 547.0	10 990.6	15 556.4	13 516.3	24 506.9	2 040.1	7.7

	1 July 2009 to 31 January 2010			Projected to 30 June 2010			
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2010	Variance (percentage)
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)/(1)
Information technology	16 717.8	11 981.5	4 736.3	5 106.8	17 088.3	(370.5)	(2.2)
Medical	10 095.0	4 948.2	5 146.8	5 144.4	10 092.6	2.4	0.0
Special equipment	3 160.6	1 580.3	1 580.3	1 580.3	3 160.6	0.0	0.0
Other supplies, services and equipment	71 578.6	48 869.0	22 709.6	23 323.4	72 192.4	(613.8)	(0.9)
Quick-impact projects	1 080.0	534.9	465.1	464.1	999.0	1.0	0.1
Subtotal	**424 399.4**	**266 207.2**	**158 192.2**	**159 478.0**	**425 685.2**	**(1 285.8)**	**(0.3)**
Gross requirements	**958 350.2**	**551 683.6**	**406 666.6**	**396 291.5**	**947 975.1**	**10 375.1**	**1.1**
Staff assessment income	22 217.2	10 425.7	11 791.5	7 446.9	17 872.6	4 344.6	19.6
Net requirements	**936 133.0**	**541 257.9**	**394 875.1**	**388 844.6**	**930 102.5**	**6 030.5**	**0.6**
Voluntary contributions in kind (budgeted)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total requirements	**958 350.2**	**551 683.6**	**406 666.6**	**396 291.5**	**947 975.1**	**10 375.1**	**1.1**

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations peacekeeping forces in the Middle East: United Nations Disengagement Observer Force

Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Disengagement Observer Force

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2008/09	$45,726,000
Expenditure for 2008/09	$45,711,800
Appropriation for 2009/10	$45,029,700
Projected expenditure for 2009/10	$45,308,500[a]
Estimated balance for 2009/10	($278,800)[a]
Proposal submitted by the Secretary-General for 2010/11	$47,921,100
Recommendation of the Advisory Committee for 2010/11	$47,921,100

[a] Estimate as at 31 January 2010 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the proposals of the Secretary-General for the United Nations Disengagement Observer Force (UNDOF) for the period from 1 July 2010 to 30 June 2011.**

2. The Advisory Committee's general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/64/660) contains its views and recommendations on a number of cross-cutting issues. Consequently, in the present report, the Committee deals with resources and other items specifically relating to UNDOF.

3. In considering the Secretary-General's proposals for UNDOF, for the period from 1 July 2010 to 30 June 2011, the Committee has taken into account the recommendations of the Board of Auditors related to the Force (A/64/5 (Vol. II)) and made specific comments thereon, where relevant, in the paragraphs below. The report of the Advisory Committee on the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2009 is contained in document A/64/708. **The Committee reiterates the need for expeditious implementation of the relevant recommendations of oversight bodies.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNDOF are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2008 to 30 June 2009

5. The Committee recalls that the General Assembly, in its resolution 62/264, appropriated an amount of $45,726,000 gross ($44,478,300 net) for the maintenance of UNDOF for the period from 1 July 2008 to 30 June 2009. Total expenditures for the period amounted to $45,711,800 gross ($44,394,900 net), which is $14,200 gross ($83,400 net) lower than the amount appropriated by the Assembly in that resolution (a budget implementation rate of 99.97 per cent). As shown in section III.A of the Secretary-General's report (A/64/536 and Corr.1), the underexpenditure is the net result of additional requirements for military and police personnel ($166,800) and civilian personnel ($307,800), offset by reduced requirements for operational costs ($488,800).

6. Overexpenditure of $166,800 for military and police personnel is attributable for the most part to additional requirements resulting from an increase in the cost of rations (an actual average cost of $7.97 per person-day compared to the budgeted average cost of $6.59 per person-day), as well as higher than budgeted costs of commercial charter flights for the rotation of contingent personnel. The overexpenditure of $307,800 reported for civilian personnel is attributable mainly to revisions in the salary scales, effective 1 January 2009 and 1 August 2008 for international and national staff, which resulted in additional requirements of $171,900 and $138,500, respectively.

7. The above-mentioned overexpenditures were offset by underexpenditures of $488,800 for operational costs. This is due mainly to reduced requirements as follows:

(a) Facilities and infrastructure ($107,300), attributable mostly to lower costs related to the construction of security walls in UNDOF positions and camps, particularly where snow clearance was required, and to the cancellation of the acquisition of hand-held scanners that did not meet United Nations specifications;

(b) Special equipment ($73,200), owing to the acquisition of observation equipment at lower unit costs;

(c) Medical ($68,000), owing to the postponement of the acquisition of supplies following the delay in the deployment of a military laboratory technician who would formulate the requirements;

(d) Other supplies, services and equipment ($55,500), owing to reduced requirements for the acquisition of operational maps, delayed printing of one of the issues of *Golan-The UNDOF Journal* and a reduction in training fees, resulting from the cancellation of some training trips;

(e) Official travel ($59,600), attributable mainly to the cancellation of some training trips during the last quarter of the financial period, as resources were reprioritized in order to meet additional requirements for rations for military personnel (see para. 6 above).

8. These underexpenditures were offset by additional requirements of $9,300 incurred for consultants, resulting from the review of a total of 16 post classifications of international and national posts which required updating.

9. A summary of budget implementation during the period is contained in paragraphs 7 and 8 of the Secretary-General's report (A/64/536 and Corr.1). The extent to which actual progress was made against the expected accomplishments for the period is contained in section II.E of that report.

10. The Advisory Committee notes that the Board of Auditors, in its financial report and audited financial statement for the 12-month period from 1 July 2008 to 30 June 2009, referred to deficiencies by the mission in complying with vendor registration and performance reports, ensuring adequate installation of the CarLog system, monitoring fuel consumption patterns, developing realistic training plans and carefully monitoring their execution (A/64/5 (Vol. II), paras. 121-128, 230-233, 248-250, 346-348). The Committee notes the responses provided by the Administration in the report. The Committee was also informed, during its hearings, that the mission had taken the relevant corrective actions to address all of the Board's recommendations (see also para. 3 above).

11. The comments of the Advisory Committee on the information in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2010 to 30 June 2011 in the paragraphs below.

III. Financial position and information on performance for the current period

12. The Committee was informed that, as at 31 December 2009, a total of $1,616,933,000 had been assessed on Member States with respect to UNDOF since its inception. As at the same date, payments received amounted to $1,600,233,000, leaving an outstanding balance of $16,700,000. As at 16 February 2010, the mission had cash resources of $12,600,000; after allowing for a three-month operating cash reserve of $7,603,000, the remaining balance amounted to $4,997,000.

13. The Committee was informed that, as at 31 December 2009, an amount of $2,457,000 was owed for troop costs; payments totalling $12,420,000 had been made up to August 2009. The balance for contingent-owned equipment, as at 31 December 2009, amounted to $236,000; payments totalling $716,000 had been made up to September 2009. In respect of death and disability compensation, an amount of $5,333,000 had been paid for 175 claims, since the inception of the mission; no unliquidated obligations remained and one claim remained outstanding.

14. The Advisory Committee was informed that, as at 31 January 2010, the incumbency of UNDOF for the period from 1 July 2009 to 30 June 2010 was as follows:

Category	*Authorized*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingents	1 047	1 046	—
International staff	47	39	17.0
National staff	108	104	4.0

[a] Represents the highest authorized strength.

15. The Advisory Committee was provided with a table on current and projected expenditures for the period from 1 July 2009 to 30 June 2010 (see annex I). As at 31 January 2010, current and projected expenditures for the entire financial period amount to $45,308,500 gross ($43,970,500 net) against an apportionment of $45,029,700 gross ($43,691,700 net). These estimates are expected to result in overexpenditures of $278,800 gross at the end of the financial period, due mostly to projected additional requirements of $467,400 related to the deployment of a new military contingent unit following the unplanned repatriation of another contingent.

IV. Proposed budget for the period from 1 July 2010 to 30 June 2011

A. Mandate and planned results

16. The mandate of UNDOF was established by the Security Council in its resolution 350 (1974). By its resolution 1899 (2009), the Security Council decided to extend the mandate of UNDOF until 30 June 2010.

17. The planning assumptions and mission support initiatives for the 2010/11 UNDOF budget are explained in paragraphs 7 to 12 of the Secretary-General's

report (A/64/630). In this connection, the Committee notes that the mission will continue to implement its mandate in the areas of separation and limitation, as well as consolidate its operational capacities in the southern part of the area of separation.

18. Paragraphs 13 to 16 of the budget document (A/64/630) provide information of regional mission cooperation. As indicated, UNDOF has been an active partner in the regional communications and information technology concept, which seeks to produce tangible financial cost reductions among the four established peacekeeping missions physically located in close geographical proximity (United Nations Interim Force in Lebanon (UNIFIL), UNDOF, United Nations Peacekeeping Force in Cyprus (UNFICYP) and United Nations Truce Supervision Organization (UNTSO)) (see also A/63/696, paras. 93-95). In this connection, the Committee was informed, upon enquiry, that a client base of approximately 16,693 personnel are currently provided with information and communications technology (ICT) services supported by 207 Communications and Information Technology Section (CITS) personnel from the four missions in the region. Furthermore, the four missions manage a non-expendable ICT inventory valued at over $55 million and have a combined annual budget of $30 million.

19. According to the Secretary-General, until now, inter-mission support and cooperation has taken place on a "best efforts" basis. In this connection, the Secretary-General is proposing a unified ICT regional management structure (not centralized in one mission) to enhance capacity and harmonize support. As indicated to the Committee, the proposed coordinated regional delivery of ICT services would not only eliminate duplication of efforts in the area of disaster recovery and business continuity, it would also create economies of scale in human resources, training and equipment requirements, as well as remove disparity of service across missions. The Committee notes that the proposal includes the establishment of a regional Chief of ICT Services in the context of the UNIFIL budget and a Deputy Chief post in the UNDOF budget. Both of these posts are proposed to be provided through reclassification of existing posts (see para. 28 below). Information in this regard is also provided in paragraphs 34 to 38 of the budget document (A/64/630).

20. The Committee notes that the overall benefits indicated include a reduction of 17 posts in the context of the UNIFIL budget (7 international and 10 national) from 1 July 2010, a reduction in equipment costs due to the decrease in regional spare parts holdings (from 7.5 per cent of inventory value to 5 per cent), use of identical equipment platforms, reduction of regional satellite transponder lease and commercial communication costs. These benefits are initially projected as a collective annual savings of over $3.5 million. In terms of the impact on the UNDOF budget, the Committee was informed that this would lead to a reduction of $161,200 in spare part requirements for the mission and of $225,000 in satellite transponder costs (UNDOF/UNTSO), offset by additional requirements of $69,600 related to the proposed reclassification of the Deputy Chief post in UNDOF (see paras. 28 and 31 below). **The Advisory Committee sees merit in the proposal to strengthen and formalize regional coordination of ICT services. The Committee refers to this initiative in more detail in the context of its general report on the administrative and budgetary aspects of peacekeeping operations (A/64/660).**

21. The Committee notes that the mission also intends to continue to seek the release of additional manpower for operational tasks through support structure

streamlining and to review options to consolidate, co-locate and coordinate support activities in order to achieve efficiencies in support services and enhanced synergies across logistic areas, including fuel rations and general supplies, with military and civilian personnel working together. As indicated in the report, this review is projected for completion by December 2010 (A/64/630, para. 8). **The Committee welcomes this initiative and recommends that information be provided in this regard in the context of the proposed budget for 2011/12.**

B. Resource requirements

22. The proposed budget for UNDOF for the period from 1 July 2010 to 30 June 2011 amounts to $47,921,100 gross ($46,512,900 net), representing an increase of $2,891,400 in gross terms, or 6.4 per cent, compared with the apportionment of $45,029,700 for 2009/10. The budget provides for the deployment of 1,047 military personnel, 48 international staff and 108 national staff. The increase is due mainly to additional requirements for military and police personnel ($2,289,300), for civilian personnel ($372,100) and operational costs ($230,000), which are summarized below.

1. Military and police personnel

Category	*Approved 2009/10*	*Proposed 2010/11*	*Variance*
Military contingents	1 047	1 047	—

23. The estimated requirements for military personnel for the period 1 July 2010 to 30 June 2011 amount to $23,778,300, an increase of $2,289,300, or 10.7 per cent, compared to the apportionment for 2009/10. The increase is attributable mainly to the increased rotation costs resulting from higher average costs for commercial charter flights, as well as increased requirements related to the rotation of a newly deployed contingent whose country of origin is geographically more distant from the mission than that of the previous contingent (see also para. 6 above). In addition, the requirements for rations reflect an increase in the unit cost from €2.914 to €3.302 per person-day, effective 1 October 2008, on the basis of a new contract (A/64/630, para. 48).

2. Civilian personnel

Category	*Approved 2009/10*	*Proposed 2010/11*	*Variance*
International staff	47	48	1
National staff	108	108	—

Comments and recommendations on posts

24. The estimated requirements for civilian personnel for the period from 1 July 2010 to 30 June 2011 amount to $10,587,100, reflecting an increase of $372,100, or 3.6 per cent, in comparison with the apportionment for 2009/10. The net increase is related primarily to additional requirements for international staff ($919,500), resulting from the calculation of net base salary and staff assessment based on step 5 of the salary scale effective 1 January 2010 and additional requirements related to

the proposed reclassification of one post from the Field Service category to the P-5 level, as well as the establishment of one post at the P-2 level. The additional requirements for international staff are partly offset by reduced requirements for national staff ($547,400), resulting primarily from the application of the World Bank exchange rate forecast for 2011 (57.8 Syrian pounds per United States dollar compared to the rate of 45.6 Syrian pounds per United States dollar).

25. The Committee further notes that the staffing costs reflect the application of a delayed deployment factor of 10 per cent for international staff and 3 per cent for the national staff, on the basis of average patterns for the current 2008/09 financial period.

26. A summary of all the staffing changes proposed for UNDOF for the period from 1 July 2010 to 30 June 2011, including 1 proposed new post, 1 reclassification, the reassignment of 1 post and the redeployment of 26 posts is attached to the present report (see annex II) and discussed in paragraphs 27 to 29 below. A description of the changes is provided in the Secretary-General's report under the various components (A/64/630, paras. 19-38).

Recommendation on posts

27. One new post is requested for an Arabic-English Language Officer at the P-2 level to provide support to the Force Commander/Head of Mission or other designated staff in the translation of local and regional media in the area of operations, translation of legal documents and official correspondence with Syrian authorities or situations requiring urgent communication (A/64/630, paras. 20-21). As indicated to the Committee, the area in which UNDOF operates has been changing over recent years with an increase in the number of houses, villages, towns, roads, traffic, livestock and agriculture, as well as an increase in population, from 5,000 at the time the mission was established in 1974, to over 100,000 nowadays, translated into a greater need for contact and communication with locals. Furthermore, the Committee was also informed that with the arrival of the Civil Affairs Officer, approved in the context of the 2009/10 budget, the opportunities and real need for communication with the local population is undeniable. **In view of the above, the Advisory Committee recommends approval of the Arabic-English Language Officer (P-2) post proposed.**

28. The reclassification of the existing post of the Chief of the Communications and Information Technology Section from the Field Service category to the P-5 level and the change of the functional title to Deputy Chief, Regional Information and Communications Technology Services is proposed (A/64/630, para. 32). The incumbent of the reclassified post would head the existing ICT Section, which would be excluded from its current placement as part of the Integrated Support Services and established as a separate entity, including 23 existing posts (12 international and 11 national). The reclassification of the post is proposed as part of the regionalization initiative for ICT services, which seeks the cooperation and coordination of delivery of ICT services of the four missions in the area (UNIFIL, UNDOF, UNFICYP and UNTSO). **In the light of this, as well as the benefits expected to be accomplished indicated in paragraphs 19 and 20 above, the Advisory Committee supports the proposed reclassification of the post to the P-5 level for the Deputy Chief, Regional Information and Communications Technology Services.**

29. Other staffing proposals include the reassignment of one national General Service post from the General Services Section to the Engineering Section for an Assets Management Assistant (A/64/630, para. 30) and the redeployment of four posts: one P-3 and one national General Service post from the Office of Mission Support to the Office of the Chief, Integrated Support Services (ibid., para. 29), one Field Service and one national General Service post from the Communications and Information Technology Section to the General Services Section (ibid., para. 27). **The Committee recommends acceptance of the reassignment and redeployments proposed.**

3. **Operational costs**

(United States dollars)

Apportioned 2009/10	*Proposed 2010/11*	*Variance*
13 325 700	13 555 700	230 000

30. The estimated operational requirements for the period 2010/11 represent an increase of $230,000, or 1.7 per cent, compared to the apportionment for the period 2009/10. A major factor contributing to the variance is the increase in the requirements for facilities and infrastructure ($520,600), owing mostly to additional requirements arising from the need to replace refrigeration, accommodation, and office and firefighting equipment, which have become damaged or obsolete with time; offset by reduced requirements for the acquisition of generators and generator fuel. The Committee notes that efficiency initiatives have resulted in a reduction of an amount of $47,800 under facilities and infrastructure, comprising $32,700 resulting from the improvement in fuel management and $15,100 resulting from the consolidation of the sizes of generators and reductions in the inventory for generators and spare parts (A/64/630, para. 39).

31. The above-mentioned increases are in part offset by decreases in the requirements for special equipment ($124,900) and communications ($195,400), as compared to the resources appropriated under these two budget items for 2009/10. The decrease under special equipment is due mostly to lower prices for observation and mine-clearance equipment compared to higher unit costs in the 2009/10 budget period. The Committee notes that the proposed cost estimates for 2010/11 take into account efficiency initiatives resulting from the regional information and communications technology services. In this connection, the Committee notes that an amount of $171,400 is indicated in the Secretary-General's report, relating to the reduction in spare parts requirements resulting from the regional information technology services concept (A/64/630, para. 39). The decrease in the provision for communications is attributable mostly to reduced requirements for spare parts holdings (from 7.5 per cent to 5 per cent) of total inventory value, as a result of the regionalization initiative in the Middle East (see para. 20 above).

V. Conclusion

32. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2008 to 30 June 2009 are indicated in paragraph 26 of the performance report (A/64/536 and Corr.1). **The Advisory**

Committee recommends that the unencumbered balance of $14,200 for the period from 1 July 2008 to 30 June 2009, as well as other income/adjustments in the amount of $1,919,200, for the period ended 30 June 2009, be credited to Member States in a manner to be determined by the Assembly.

33. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2010 to 30 June 2011 are indicated in paragraph 57 of the proposed budget (A/64/630). **The Advisory Committee recommends that the General Assembly appropriate an amount of $47,921,100 for the maintenance of UNDOF for the 12-month period from 1 July 2010 to 30 June 2011, should the Security Council decide to extend the mandate of the mission beyond 30 June 2010.**

Documentation

- Performance report on the budget of the United Nations Disengagement Observer Force for the period from 1 July 2008 to 30 June 2009 (A/64/536 and Corr.1)
- Budget for the United Nations Disengagement Observer Force for the period from 1 July 2010 to 30 June 2011 (A/64/630)
- Report of the Secretary-General on the United Nations Disengagement Observer Force for the period from 1 July 2009 to 31 December 2009 (S/2009/597)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2007 to 30 June 2008 and proposed budget for the period from 1 July 2009 to 30 June 2010 of the United Nations Disengagement Observer Force (A/63/746/Add.2)
- Security Council resolutions 350 (1974) and 1899 (2009)
- General Assembly resolutions 62/264 and 63/297 on the financing of the United Nations Disengagement Observer Force

Annex I

Current and projected expenditures for the period from 1 July 2009 to 30 June 2010

(Thousands of United States dollars)

	1 July 2009 to 31 January 2010			*Projected 1 February to 30 June 2010*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2010*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)=(1)*	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	21 489.0	11 845.8	9 643.2	10 110.6	21 956.4	(467.4)	(2.2)	Additional requirements for a newly deployed military contingent unit, resulting from the unplanned repatriation of another contingent
United Nations police	—	—	—	—	—	—	—	
Formed police units	—	—	—	—	—	—	—	
Subtotal	**21 489.0**	**11 845.8**	**9 643.2**	**10 110.6**	**21 956.4**	**(467.4)**	**(2.2)**	
Civilian personnel								
International staff	6 774.3	4 154.2	2 620.1	2 536	6 690.6	83.7	1.2	
National staff	3 400.7	1 936.6	1 464.1	1 462	3 398.1	2.6	0.1	
United Nations Volunteers	—	—	—	—	—	—	—	
General temporary assistance	40.0	19.2	20.8	20.8	40.0	—	—	
Subtotal	**10 215.0**	**6 110.0**	**4 105.0**	**4 018.8**	**10 128.7**	**86.3**	**0.8**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	

	1 July 2009 to 31 January 2010			Projected 1 February to 30 June 2010				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2010*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Consultants	14.0	—	14.0	14.0	14.0	—	—	
Official travel	378.5	151.8	226.7	220.4	372.2	6.3	1.7	
Facilities and infrastructure	5 536.8	3 345.2	2 191.6	2 185.2	5 530.4	6.4	0.1	
Ground transportation	3 768.8	3 131.1	637.7	643.6	3 774.7	(5.9)	(0.2)	
Communications	1 491.9	1 093.9	398.0	372.5	1 466.4	25.5	1.7	
Information technology	792.3	539.3	253.0	238.6	777.9	14.4	1.8	
Medical	416.6	179.9	236.7	225.0	404.9	11.7	2.8	
Special equipment	329.8	186.2	143.6	121.2	307.4	22.4	6.8	
Other supplies, services and equipment	597.0	264.0	333.0	311.5	575.5	21.5	3.6	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**13 325.7**	**8 891.4**	**4 434.3**	**4 332.0**	**13 223.4**	**102.3**	**0.8**	
Gross requirements	**45 029.7**	**26 847.2**	**18 182.5**	**18 461.3**	**45 308.5**	**(278.8)**	**(0.6)**	
Staff assessment income	1 338.0	828.1	509.9	509.9	1 338.0	—	—	
Net requirements	**43 691.7**	**26 019.1**	**17 672.6**	**17 951.4**	**43 970.5**	**(278.8)**	**(0.6)**	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	**45 029.7**	**26 847.2**	**18 182.5**	**18 461.3**	**45 308.5**	**(278.8)**	**(0.6)**	

Annex II

Summary of the staffing changes proposed for the United Nations Disengagement Observer Force for the period from 1 July 2010 to 30 June 2011

Office/Section/Unit	*Number*	*Level*	*Description*	*Status*
Executive direction and management				
Office of the Force Commander				
	+1	P-2	Arabic-English Language Officer	New
	+1			
Component 2				
Office of the Chief of Mission Support				
	-1	P-3	Geographic Information Officer	Redeployed to the Office of the Chief, Integrated Support Services
	-1	NGS	Geographic Information Assistant	Redeployed to the Office of the Chief, Integrated Support Services
	-2			
General Services Section				
	-1	NGS	Handyman	Redeployed to Engineering Section
	+1	FS	Registry Assistant	Redeployed from Communications and Information Technology Section (CITS)
	+1	NGS	Registry Assistant	Redeployed from CITS
	+1			
Office of the Chief, Integrated Support Services				
	+1	P-3	Geographic Information Officer	Redeployed from the Office of the Chief of Mission Support
	+1	NGS	Geographic Information Assistant	Redeployed from the Office of the Chief of Mission Support
	+2			
Engineering Section				
	+1	NGS	Asset Management Assistant	Redeployed from General Services Section

Office Symbol Cont.	Position	Level	Occupation	Notes
CTS				
	[redacted]	FS	Registrar, Assistant	[redacted]
	[redacted]	NEX	Registrar, Assistant	[redacted]
	[redacted]	FS	Chief	[redacted]
	[redacted]	FS	CTS Translator	[redacted]
	[redacted]	NEX	CTS Translator	[redacted]
	[redacted]			
ASC TS (formerly Communications and Information Technology Section)				
	[redacted]	FS	Deputy Chief, ASC TS	[redacted]
	[redacted]		CTS Translator	[redacted]
	[redacted]		CTS Translator	[redacted]
	[redacted]			
Total				
International	[redacted]			
National	[redacted]			
Total	[redacted]			

Abbreviations: NEX, National Excepted Service; FS, Field Service.

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Peacekeeping Force in Cyprus

Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Peacekeeping Force in Cyprus

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2008/09	$54,851,100
Expenditure for 2008/09	$54,728,000
Unencumbered balance for 2008/09	$123,100
Appropriation 2009/10	$54,412,700
Projected expenditure 2009/10[a]	$54,412,400
Estimated underexpenditure for 2009/10[a]	$300
Proposal submitted by the Secretary-General for 2010/11	$57,040,000
Recommendation of the Advisory Committee for 2010/11	$56,894,600

[a] Estimates as at 31 January 2010 (see annex).

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I. Introduction

1. **The recommendations of the Advisory Committee contained in paragraphs 27 and 28 below would entail a reduction of $145,400 in the proposed budget for the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2010 to 30 June 2011.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/64/660) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to UNFICYP.

3. In considering the report of the Secretary-General on the budget for UNFICYP for the period from 1 July 2010 to 30 June 2011 (A/64/629), the Committee has taken into account the recommendations of the Board of Auditors related to the mission (see A/64/5 (Vol. II), chap. II). The report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations is contained in document A/64/708. **The Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board of Auditors.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNFICYP are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2008 to 30 June 2009

5. By its resolution 62/255, the General Assembly appropriated a total of $54,851,100 gross ($52,545,900 net) for the maintenance of the Force for the period from 1 July 2008 to 30 June 2009. That amount included voluntary contributions from the Government of Cyprus totalling $17,497,785, equivalent to one third of the net cost of the appropriation, and $6.5 million from the Government of Greece. Expenditures for the period totalled $54,728,000 gross ($52,346,700 net). The resulting unencumbered balance of $123,100 gross ($199,200 net) represents, in gross terms, 0.2 per cent of the appropriation. An analysis of variances is provided in section IV of the performance report (A/64/533).

6. The underexpenditure for the period was attributable mainly to: (a) lower actual costs for the rotation of contingents resulting from the use of regular commercial flights and the rotation of some contingent personnel using national military flights; and (b) higher-than-budgeted vacancy rates for national staff (6.2 per cent compared with the budgeted vacancy factor of 2 per cent).

7. The underexpenditure was offset in part by increases relating to: (a) the revision of salary scales for international staff effective 1 January 2009, partly offset by unspent amounts resulting from the higher-than-budgeted vacancy rates (7 per cent as compared with the budgeted factor of 5 per cent); (b) additional requirements under facilities and infrastructure owing to increases in the cost of electricity and water, higher electricity consumption resulting from the installation of additional air conditioners and the installation of three-phase electricity and a

high voltage substation; and (c) additional requirements under other supplies, services and equipment due to exchange rate fluctuations.

8. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2010 to 30 June 2011.

III. Financial position and information on performance for the current period

9. The Advisory Committee was informed that, as at 31 December 2009, a total of $388,788,000 had been assessed on Member States in respect of UNFICYP since its inception. Payments received as at the same date amounted to $374,022,000, leaving an outstanding balance of $14,766,000. As at 16 February 2010, the cash position of the mission was $5,800,000. Taking into account a three-month operating reserve of $10,504,000, the mission's cash shortfall as at the same date amounted to $4,704,000. **The Committee continues to be concerned at the persistent precariousness of the financial situation of the Force and its potential impact on the timely reimbursement of troop-contributing countries** (see also A/63/746/Add.9, para. 10).

10. The Advisory Committee was informed that, as at 31 December 2009, estimated amounts of $9,189,000 were owed for troop-cost reimbursement and $347,000 for contingent-owned equipment. In respect of death and disability compensation, $1,590,000 had been paid for 283 claims since the inception of the mission, and 1 claim was pending. **The Committee expects that the pending claim will be settled expeditiously.**

11. The Advisory Committee was informed that, as at 31 January 2010, the incumbency for UNFICYP for the period from 1 July 2009 to 30 June 2010 was as follows:

	Authorized[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	860	855	0.6
United Nations police	69	69	—
International staff	39	38	2.5
National staff	113	110	2.6

[a] Represents the highest authorized strength for the period.

12. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2009 to 30 June 2010 (see annex). Expenditures for the period as at 31 January 2010 amounted to $34,783,400. At the end of the current financial period, estimated total expenditures would amount to $55,896,700 against the appropriation of $55,897,000, leaving a projected underexpenditure of $300.

IV. Proposed budget for the period from 1 July 2010 to 30 June 2011

A. Mandate and planned results

13. The mandate of UNFICYP was established by the Security Council in its resolution 186 (1964). The most recent extension of the mandate, to 15 June 2010, was authorized by the Council in its resolution 1898 (2009).

14. The planning assumptions and mission support initiatives for 2010/11 are described in paragraphs 6 to 9 of the proposed budget (A/64/629). As indicated in paragraph 6 of that report, UNFICYP would continue to provide substantive and logistical support for the good offices of the Secretary-General in his efforts to support the peace talks and would assist the Special Representative of the Secretary-General/Chief of Mission, as the principal adviser and deputy to the Special Adviser of the Secretary-General on Cyprus. The Advisory Committee was informed that such services are provided on a reimbursable basis; they include financial, personnel management, general, engineering, supply, transport, information technology, communications support and security services. The good offices and UNFICYP headquarters are located in the same compound at old Nicosia Airport, approximately 1.2 kilometres apart.

15. Upon enquiry concerning how the functions of the good offices and UNFICYP were linked, the Advisory Committee was informed that, while both entities are working towards the achievement of a comprehensive settlement of the Cyprus problem, the specific functions of the entities differ to the extent that the good offices activities are focused on the negotiation efforts while UNFICYP provides support to negotiations with a view to creating a social and political environment between the communities that would be conducive to negotiation.

16. In its report on the proposed budget for UNFICYP for 2009/10, the Advisory Committee recommended that the Secretary-General further review the structure of UNFICYP and the Secretary-General's good offices for Cyprus with a view to avoiding duplication of substantive and support functions and that he report thereon to the General Assembly at its sixty-fourth session in the context of the next budget submission for special political missions, and subsequently in the next budget submission for UNFICYP (A/63/746/Add.9, para. 25). The Committee was informed that the review had not been carried out. **The Committee regrets that the review was not undertaken and expects that, as a matter of good management practice, the review will be carried out on a priority basis and reported in both the next budget submission for special political missions and in the next budget submission for UNFICYP, as previously recommended by the Committee and endorsed by the Assembly (see resolution 63/290). Furthermore, it is the Committee's view that, in mission areas where there is more than one such United Nations entity, detailed information concerning coordination, synergies and shared support arrangements should be routinely provided in the budget presentations.**

17. As indicated in the proposed budget, requirements under information and communications technology for 2010/11 have been reduced owing to the implementation of a regionalization initiative that would result in the more efficient management of spare parts and delivery of services (A/64/629, para. 9). Expected

efficiency gains for UNFICYP in 2010/11 in this respect are estimated at $106,000 (ibid., para. 21).

18. The regional information and communications technology initiative involves the four established peacekeeping missions located in close geographical proximity (UNFICYP, the United Nations Interim Force in Lebanon, the United Nations Disengagement Observer Force and the United Nations Truce Supervision Organization), which have a client base of approximately 16,693 personnel supported by 207 information and communications technology personnel. The four missions manage a non-expendable information and communications technology inventory valued at over $55 million and have a combined annual budget of some $30 million.

19. The Advisory Committee was informed that, up to the present time, inter-mission support and cooperation had taken place on a "best efforts" basis. The Secretary-General is proposing a unified regional management structure for information and communications technology (not centralized in one mission) to enhance capacity and harmonize support. The Committee was informed that the proposed coordinated regional delivery of information and communications technology services would not only eliminate duplication of effort in the areas of disaster recovery and business continuity, but would also create economies of scale in human resources, training and equipment requirements and eliminate disparity of service across missions. With respect to disaster recovery and business continuity, the Committee was informed that UNFICYP is to provide off-site capability for the other three missions for regional data storage. The proposal includes the establishment of a Regional Chief of Information and Communications Technology Services in the UNIFIL budget and a deputy position under the UNDOF budget. Both posts are proposed to be provided through the reclassification of existing posts.

20. The Advisory Committee was informed that the overall benefits of the initiative include a reduction of 17 posts in the UNIFIL budget (7 international and 10 national) from 1 July 2010, a reduction in equipment costs owing to the decrease in regional spare parts holdings (from 7.5 per cent of inventory value to 5 per cent), the use of identical equipment platforms and a reduction in commercial communication costs owing to lower requirements for the regional satellite transponder lease, as well as efficiency gains owing to service delivery uniformity. Initial projections indicate a collective recurrent annual savings of over $3.5 million. **The Committee sees merit in the proposal to strengthen and formalize the regional coordination of information and communications technology services.** The Committee discusses this issue in greater detail in its general report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations.

B. Resource requirements

21. The proposed budget for UNFICYP for 2010/11 amounts to $57,040,000, representing an increase of $2,627,300, or 4.8 per cent, in comparison with the appropriation of $54,412,700 for 2009/10. An analysis of variances is provided in section III of the proposed budget (A/64/629). Key resource variances include (a) additional requirements of $1,032,500 under national staff attributable primarily to the application of the exchange rate of €0.70 to $1 based on the World Bank

forecast for 2011, compared with the rate of €0.773 applied in the 2009/10 budget; and (b) additional requirements of $724,100 under facilities and infrastructure for maintenance services based on the terms of the new contracts for catering, cleaning and waste management services, as well as increases in the costs of electricity, water, gas and construction services owing to the installation of three substations for additional power supply.

22. The budget provides for the deployment of 860 military contingent personnel, 69 United Nations police personnel, 40 international staff (including 1 temporary position), 113 national staff and 1 United Nations Volunteer. A net increase of two positions is proposed.

1. Military and civilian police personnel

Category	*Approved 2009/10*	*Proposed 2010/11[a]*	*Variance*
Military contingents	860	860	—
United Nations police	69	69	—

[a] A vacancy factor of 1 per cent has been applied for both military and police personnel.

23. The proposed budget for military and police personnel for the period from 1 July 2010 to 30 June 2011 amounts to $24,249,200, an increase of $405,700, or 1.7 per cent, compared to the apportionment of $23,843,500 for 2009/10. The increase is due mainly to the appreciation in the value of the euro against the United States dollar, resulting in additional requirements for mission subsistence allowance and rations under military contingents and United Nations police.

24. The Advisory Committee notes that the mission will continue to utilize commercial flights rather than charter flights for the rotation of one of the contingent units, resulting in reduced requirements for travel on rotation. **The Committee recommends that lessons learned with respect to this arrangement be shared for possible application to other missions, where feasible.**

2. Civilian personnel

Category	*Approved 2009/10*	*Proposed 2010/11*	*Variance*
International staff	39	39	—
National staff	113	113	—
Temporary positions	—	1	1
United Nations Volunteers	—	1	1

25. The proposed budget for civilian personnel for the period from 1 July 2010 to 30 June 2011 amounts to $15,828,000, an increase of $1,385,800, or 9.6 per cent, compared to the apportionment for 2009/10. A vacancy factor of 5 per cent has been applied to cost estimates for international staff and 2 per cent for national staff.

26. The increased requirements under international staff ($207,900) are attributable primarily to the revision of the salary scale effective 1 January 2010. Under national staff, the variance ($1,032,500) is due mainly to the application of the exchange rate of €0.70 to $1 based on the World Bank forecast for 2011

compared with exchange rate of €0.773 applied in the 2009/10 budget. The increase under United Nations Volunteers ($41,900) relates to the proposed establishment of one United Nations Volunteer position in the Office of the Senior Adviser. Under general temporary assistance, the increase ($103,500) is attributable to the proposed establishment of a temporary P-2 position for a Civil Affairs Officer.

27. As indicated in paragraph 15 of the proposed budget, the functions of the proposed United Nations Volunteer position would entail providing "legal advice and assistance to the substantive and administrative components of the Force on a wide range of legal issues". The Advisory Committee was informed that there was currently a P-4 Legal Officer in the Office of the Special Adviser. **The Committee expects that in a long-standing, stable mission such as UNFICYP, efficiency gains would materialize that would effectively reduce personnel requirements (see also para. 16 above). Given the general nature of the functions proposed, it appears to the Committee that the additional United Nations Volunteer position is intended to strengthen existing legal capacity in the Office. In the view of the Committee, the need for these functions could be met from within existing capacity; it therefore recommends against approval of the proposed position.**

28. The establishment of a temporary P-2 position is proposed under general temporary assistance for a Civil Affairs Officer to strengthen the Force's capability at the field sector level to engage in cross-level representation, monitoring and facilitation, confidence-building, conflict management and support for reconciliation. Upon enquiry, the Advisory Committee was informed that this was essentially a resubmission of a request contained in the proposed budget for 2009/10, which the Committee did not support (see A/63/746/Add.9, para. 22 (a)) and the General Assembly did not approve (see resolution 63/290). At that time, a P-3 post was requested for functions that are carried out by United Nations police officers, who rotate on an annual basis. **The Committee still has not been provided with a convincing justification in support of the need for the functions to be carried out on a non-rotating basis. Accordingly, the Committee recommends against approval of the proposal.**

B. Operational costs

Apportioned 2008/09	Proposed 2009/10	Variance
$6,127,600	$6,962,400	$834,800

29. The estimated operational requirements for the period from 1 July 2009 to 30 June 2010 reflect an increase of $834,800, or 5.2 per cent, in comparison with the appropriation for 2008/09.

Facilities and infrastructure

30. Estimated requirements for facilities and infrastructure for 2009/10 total $9,439,000, an increase of $724,100 (9.6 per cent) compared to the appropriation for 2008/09. The increase is attributable mainly to additional requirements for maintenance services in accordance with the terms of the new contracts for catering, laundry, cleaning and waste management services, as well as increased costs for electricity, water and gas and construction services owing to the installation of three

substations for additional power supply at the Blue Beret Camp. The increase is offset in part by reduced requirements for the acquisition of generators, maintenance supplies and prefabricated facilities.

31. Upon request, the Advisory Committee was provided with an update of the progress of work on renovations being carried out by the Government of Cyprus at San Martin Camp (sector 1) and the Ledra Palace Hotel (sector 2 headquarters). The Committee was informed that the work was proceeding in a phased manner in order to keep the camps fully operational during the period of renovation. At San Martin Camp, three of the largest buildings have been totally refurbished. Remaining works, which are expected to be completed in early 2011, include the refurbishment of two accommodation buildings and the installation of a new electrical substation and a new electrical distribution system for the entire camp.

32. The Advisory Committee was informed that the refurbishment works at the Ledra Palace Hotel were progressing slowly, due in part to the condition of the building, which was previously unknown, and that renovations were expected to be completed by 31 December 2011. The Committee recalls that, in the context of its consideration of the proposed budget for 2009/10, it was informed that the renovation of the Hotel was expected to be completed by December 2010 (ibid., para. 31). **The Committee notes the progress made thus far in the two renovation projects and trusts that every effort will be made to complete them.**

Air transportation

33. Estimated requirements for air transportation for 2010/11 total $1,836,400, an increase of $289,000, or 18.7 per cent, compared to the apportionment for 2009/10. The variance is attributable primarily to additional requirements for the rental and operation of helicopters owing to increases in the cost of flight hours and aviation fuel for two helicopters. It is indicated in the budget document that the estimate covers the operation and maintenance of three helicopters (including one provided at no cost by the Government of Argentina to replace either of the other two during maintenance and other periods of downtime), as well as the supply of 240,000 litres of aviation fuel.

V. Conclusion

34. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2008 to 30 June 2009 are indicated in paragraph 31 of the performance report (A/64/533). **The Advisory Committee recommends that the unencumbered balance of $123,100, as well as other income/adjustments in the amount of $920,400, be credited to Member States in a manner to be determined by the Assembly.**

35. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2010 to 30 June 2011 are indicated in paragraph 30 of the proposed budget (A/64/629). **Subject to its comments and observations in the present report, the Advisory Committee recommends that the Assembly appropriate an amount of $56,894,600 for the maintenance of the mission for the 12-month period from 1 July 2010 to 30 June 2011, should the Security Council decide to continue the mandate of UNFICYP.**

Documentation

- Performance report on the budget of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2008 to 30 June 2009 (A/64/533)
- Budget for the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2010 to 30 June 2011 (A/64/629)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2009 (A/64/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2007 to 30 June 2008 and proposed budget for the period from 1 July 2009 to 30 June 2010 of the United Nations Peacekeeping Force in Cyprus (A/63/746/Add.9)
- General Assembly resolution 62/255 on the financing of the United Nations Peacekeeping Force in Cyprus
- Security Council resolution 1898 (2009)

Annex

Current and projected expenditures of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2009 to 30 June 2010

(Thousands of United States dollars)

	1 July 2009 to 31 January 2010			Projected 1 February to 30 June 2010				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2010*	*Variance (percentage)*	
	(1)	(2)	(3) = (1) – (2)	(4)	(5) = (2) + (4)	(6) = (1) – (5)	(7) = (6) ÷ (1)	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	20 927.1	13 261.7	7 665.4	6 738.4	20 000.1	927.0	4.4	Use of commercial flights in lieu of charter flights for the rotation of contingents, partly offset by additional requirements for recreational leave allowance owing to an increase in the duration of entitlement from 7 to 15 days for every six months of service
United Nations police	2 916.0	2 729.0	187.0	312.2	3 041.2	(124.8)	(4.3)	Appreciation of the value of the euro against the United States dollar
Formed police units	—	—	—	—	—	—	—	
Subtotal	**23 843.0**	**15 990.7**	**7 852.8**	**7 050.6**	**23 041.3**	**802.2**	**3.4**	
Civilian personnel								
International staff	8 588.0	5 919.3	2 668.7	2 644.8	8 564.1	23.9	0.4	
National staff	7 662.2	4 775.9	2 886.3	3 859.3	8 635.2	(973.0)	(12.7)	Additional requirements resulting from the revision of the salary scale effective 1 September 2009
United Nations Volunteers	—	—	—	—	—	—	—	

	1 July 2009 to 31 January 2010			Projected 1 February to 30 June 2010				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2010	Variance (over)/under	
	(1)	(2)	(3) = (1) - (2)	(4)	(5) = (2) + (4)	(6) = (1) - (5)	(7) = (6) ÷ (1)	Reasons for variance
Electrical infrastructure upgrades	192.8	60.3	132.7	65.0	125.3	66.7	34.7	Reduced requirements for the temporary replacement of staff on extended medical or maternity leave
Subtotal	**10 002.2**	**9 705.5**	**5 680.7**	**6 569.1**	**15 324.6**	**(882.4)**	**(6.1)**	
Operational costs								
Electoral-related non-staff	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	—	—	—	—	—	—	—	
Official travel	506.8	129.2	377.6	145.0	274.2	232.6	45.9	Lower requirements for training and non-training travel
Facilities and infrastructure	7 713.9	4 617.4	3 096.5	3 283.0	7 905.4	(191.5)	(2.5)	Increased costs of electricity and settlement of outstanding charges related to a prior financial period
Ground transportation	3 506.1	3 002.3	527.8	760.9	3 763.2	(253.1)	(7.2)	Increased costs of fuel and maintenance services for vehicles
Air transportation	1 587.4	305.5	1 281.9	1 265.4	1 570.9	(23.5)	(1.5)	
Naval transportation	—	—	—	—	—	—	—	
Communications	978.6	741.4	237.2	192.6	934.0	44.6	4.6	
Information technology	839.1	730.8	108.3	91.1	821.9	17.2	2.0	
Medical	401.3	169.8	231.5	135.5	305.3	96.0	23.9	Reduced requirements for medical and dental equipment, as well as prescription medications
Special equipment	5.4	1.3	4.1	—	1.3	4.1	74.8	Non-acquisition of night observation equipment

Other supplies, services and equipment	695.1	145.1	234.2	119.9	871.2	145.1	24.9	Lower requirements for training fees, freight and other equipment
Quick impact projects								
Subtotal	**34 527.8**	**19 657.2**	**6 083.0**	**6 085.3**	**34 045.9**	**89.9**	**5.9**	
Future requirements	34 453.7	34 783.9	19 629.3	19 629.9	34 613.4	0.9	—	
Staff assessment income	3 271.7	3 111.9	1 980.7	1 240.4	3 351.6	179.7)	(5.9)	
Net requirements	**92 143.8**	**53 673.8**	**19 446.6**	**19 388.6**	**92 084.9**	**89.9**	**0.1**	
Voluntary contributions in kind (budgeted)	1 884.3	1	1 313.6	1 313.6	1 884.3		—	
Total requirements	**94 027.8**	**54 984.1**	**20 760.2**	**20 702.2**	**93 969.7**	**0.1**	—	

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Interim Administration Mission in Kosovo

Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 for the United Nations Interim Administration Mission in Kosovo

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2008/09	$198,012,000
Expenditure for 2008/09	$168,523,300
Unencumbered balance for 2008/09	$29,488,700
Appropriation for 2009/10	$46,809,000
Projected expenditure for 2009/10	$46,059,700*
Estimated unencumbered balance for 2009/10	$749,300*
Proposal submitted by the Secretary-General for 2010/11	$48,357,900
Recommendation of the Advisory Committee for 2010/11	$48,357,900

* Estimate as at 24 February 2010

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2010 to 30 June 2011.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of United Nations peacekeeping operations (A/64/660) contains the Committee's views and recommendations on a number of cross-cutting issues. In the paragraphs below, the Committee deals with resources and other items that relate specifically to UNMIK.

3. In considering the proposals made b the Secretary-General for UNMIK for the period from 1 July 2010 to 30 June 2011, the Committee has also taken into account the recommendations of the Board of Auditors related to the Mission and made specific comments thereon, where relevant, in the paragraphs below. The report of the Advisory Committee on the Board of Auditors report on United Nations peacekeeping operations (A/64/5 (Vol. II), chap. II) is contained in document A/64/708. **The Committee reiterates the need for expeditious implementation of the relevant recommendations of oversight bodies (see para. 10).**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIK are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2008 to 30 June 2009

5. The total amount appropriated by the General Assembly in its resolution 62/262 for the maintenance of the Mission for the period from 1 July 2008 to 30 June 2009 amounted to $198,012,000 gross ($182,733,600 net). Expenditures for the period totalled $168,523,300 gross ($153,228,000 net). The resulting unencumbered balance of $29,488,700, in gross terms, reflects underexpenditures under military and police personnel ($26,752,200, or 41.2 per cent) and civilian personnel ($5,059,900, or 4.6 per cent), offset by overexpenditures under operational costs ($2,323,400, or 10.4 per cent), as compared with the appropriated amount of $198,012,000.

6. In the performance report on the budget of UNMIK for the period from 1 July 2008 to 30 June 2009 (A/64/604, paras. 11-13), the Secretary-General highlighted the key developments which affected the implementation of the Mission's mandate and had a significant impact on its ability to carry out its operations during the 2008/09 financial period. The Advisory Committee recalls that in order to reflect the new conditions on the ground, the Secretary-General decided to adjust the structure and profile of UNMIK (see S/2008/458 and S/2008/692). Following the statement issued by the President of the Security Council on 26 November 2008 (S/PRST/2008/44), the European Union Rule of Law Mission in Kosovo (EULEX) assumed operational responsibilities in the areas of policing, justice and customs, operating under the overall authority of the United Nations, within its status-neutral framework and in accordance with Security Council resolution 1244 (1999). The

Mission was reconfigured and its operations scaled down considerably. Consequently, the performance report detailed the significant variances in staff and operational costs resulting from the reconfiguration and retrenchment process.

7. In this connection, underexpenditures of $26,752,200, or 41.2 per cent, were reported for military and police personnel costs for the period 2008/09. The underexpenditure was owing mainly to reduced requirements for United Nations police ($23,675,400), resulting from an actual average of 597 police personnel compared with the 1,409 provided for in the budget. In addition, owing to the cessation of operations in December 2008, a reduction of related reimbursements for contingent-owned equipment, and the final repatriation of personnel by the end of February 2009, a decrease in the requirements for formed police units ($2,653,500) was reflected. The reduced requirements for military observers ($423,300) reflected the reduction in the number of military observers (an actual average of 23 compared with the 37 budgeted).

8. The net underexpenditure for civilian personnel ($5,059,900, or 4.6 per cent) was attributable primarily to:

(a) Reduced requirements for international staff ($8,867,900), reflecting a decrease in the provision for salary costs and mission subsistence allowance, given the actual average vacancy rate of 48.9 per cent (compared with 30 per cent in the budget), offset in part by an increase in the provision for common staff costs, owing to the unbudgeted payment of termination indemnities of $2 million;

(b) Increased requirements for national staff ($3,497,600), reflecting an increase in the provision for common staff costs owing to expenditures related to the payment of unbudgeted termination indemnities of $13.5 million, offset by reduced requirements for salary costs, owing to an overall vacancy rate of 42.1 per cent compared with the budgeted rate of 10 per cent.

9. The overexpenditure of $2,323,400 for operational costs was attributable primarily to additional requirements for facilities and infrastructure ($2,419,100) related to increased requirements for rental of premises used by UNMIK, owing to change of ownership following events in 2008, offset by the cancellation of services no longer required after the handover of certain premises. Increased requirements were also reported for ground transportation ($795,500) owing to the significant delay of a fuel-related receipt from the period 2007/08 ($720,800). These additional requirements were offset in part by reduced requirements for air transportation ($1,109,300) in view of the cessation of air operations.

10. The Advisory Committee notes that the Board of Auditors, in its report on United Nations peacekeeping operations, made observations and recommendations with regard to the Mission's results-based-budgeting framework, management of non-expendable property, compliance with the requirements of the *Procurement Manual*, downsizing and reconfiguration handling, policies and procedures relating to information and communications technology and establishment of human resources action plans (see A/64/5 (Vol. II), chap. II, paras. 67-72, 87 (b), 88-90, 121, 156, 162-164, 185-188, 310-316, 333-335). The Committee notes the responses provided by the administration in the report. The Committee was also informed, during its hearings, that the Mission was taking relevant corrective actions to address all of the Board's recommendations. **The Committee expects that all related actions taken will be fully reported in the next budget submission** (see para. 1 above).

11. With regard to the reconfiguration and downsizing of UNMIK, the Advisory Committee recalls the information included in its reports (see A/62/781/Add.10, para. 18 and A/63/746/Add.14, para. 25) and the efforts made and measures taken by the Mission to retain qualified and experienced staff in the context of the downsizing process. The Committee was further informed that with regard to national staff, some had been assumed by UNMIK, while others had been encouraged to go on temporary assignment duty, and others were being brought back as individual contractors. **The Committee trusts that the lessons learned from the UNMIK reconfiguration and downsizing, as well as measures undertaken in this regard, will be taken into account for future use in other missions undergoing similar processes.**

12. The comments of the Advisory Committee on the information in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2010 to 30 June 2011 in the paragraphs below.

III. Financial position and information on performance for the current period

13. The Advisory Committee was informed that, as at 31 December 2009, a total of $2,779,714,900 had been assessed on Member States with respect to UNMIK, since its inception. As at the same date, payments received amounted to $2,729,660,700, leaving an outstanding balance of $50,054,200. As at 22 February 2010, the Mission had cash resources of $7,200,000. **The Committee notes with concern that the Mission's available cash balance does not cover the three-month operating cash reserve, which would amount to $11,782,000 (a shortfall of $4,582,000).**

14. The Advisory Committee was informed that, as at 31 December 2009, the outstanding balance for contingent-owned equipment amounted to $7,172,200. An amount of $50,000 was paid for one claim for death and disability compensation related to the period from 1 July 2007 to 28 March 2008. There were no outstanding death and disability claims as at 22 February 2010.

15. The Advisory Committee was informed that, as at 31 January 2010, the vacancy rates of UNMIK for the period from 1 July 2009 to 30 June 2010 were as follows:

Category	Approved	Encumbered	Vacancy rate (percentage)
Military and police personnel			
Military observers	9	9	
United Nations police	37	37	
Civilian personnel			
International staff	172	146	14.5
National staff	266	226	15.0

Category	Authorized*	Encumbered	Unencumbered balance
General temporary assistance			
International positions	3	3	–
National positions	1	1	–
United Nations Volunteers	24	24	–

* Represents the highest authorized strength.

34. The Advisory Committee was provided with the preliminary status of expenditures as at 28 February 2010 for the period from 1 July 2009 to 30 June 2010 (see annex I). For the entire financial period, current and projected expenditures amount to $40,119,700 gross ($42,868,800 net) against an appropriation of $40,959,800 gross ($42,810,600 net). This would result in underexpenditure of $740,100 gross at the end of the financial period. The Committee notes that the projected underexpenditure relates primarily to anticipated lower than budgeted operational costs ($1,661,400) offset by anticipated additional requirements for civilian personnel ($2,424,200) and military and police personnel costs ($221,900).

IV. Proposed budget for the period from 1 July 2010 to 30 June 2011

A. Mandate and planned results

35. The mandate of UNMIK was established by the Security Council in its resolution 1244 (1999). As reflected in the Secretary-General's report on the budget of UNMIK for 2010/11 (A/64/660), owing to following developments in Kosovo in 2008, the deployment of EULEX and its assumption of operational responsibility in the areas of police, justice and customs throughout Kosovo, the Mission was reconfigured and downsized. UNMIK is now focusing on implementing the political role of its mandate, with the objective of ensuring lasting security and stability in Kosovo and in the region.

36. The planning assumptions and mission support initiatives which constitute the basis for the 2010/11 budget period are explained in paragraphs 9 to 16 of the proposed budget (A/64/660). As indicated therein, as a result of the changed circumstances, UNMIK has adjusted its functions, developed new strategies and taken on a more political role, remaining present and active in areas where others cannot operate, facilitating and encouraging cooperation and promoting stability. On the basis of Security Council resolution 1244 (1999), UNMIK will continue to monitor, report on and facilitate the resolution of issues relating to the reconciliation of Kosovo's communities, facilitate Kosovo's participation in regional and international initiatives, in particular those aiming to improve its economic situation, promote dialogue between Belgrade and Pristina on matters of practical concern, including cultural heritage, missing persons, return of internally displaced persons, and energy, facilitate the role of EULEX in the rule of law area and focus on the practical and political challenges existing in the north of Kosovo.

[redacted]

(iv) The reclassifications of the Legal Affairs Officer post from the Field Service to the P-3 level (Chad, para. 24) and of the Deputy Municipal Representative post (Mitrovica Office) from the P-3 to the P-4 level (Chad, para. 29);

(v) The reassignment of a National Officer post from the Office of Mission Support to the Office of Political Affairs (Chad, para. 24) and of a post at the P-3 level from the Office of the Chief of Staff to the Office for Communities Support and Facilitation for a Senior Human Rights Officer post (Chad, para. 27);

(vi) The redeployment of two Public Information Assistant posts (national General Service) from the Office in Belgrade to the Office of the Spokesperson and Public Information (Chad, para. 34);

(vii) The reduction of 29 administrative support posts (1 P-4, 4 P-3, 1 P-2, 1 Field Service, 19 national General Service (Chad, paras. 23-27) and 23 local security guard posts (Chad, para. 34), which would be proposed in the subsequent staffing re-alignment phase of 2015-16;

(f) **The Advisory Committee recommends acceptance of the Secretary-General's staffing proposals.**

3. **Operational costs**

(Thousands of dollars)

Apportionment (2014/15)	Requirements (2015/16)	Variance
(1) = (2) + (3)	(2) = (4) + (5)	(3) = (2) - (1)

(a) The estimated operational requirements of $11,951,500 for the period 2015/16 represent a decrease of $277,400 or 2.3 per cent, compared with the apportionment for the period 2014/15. The variance proposed within subsections of the requirements proposed for facilities and infrastructure ($998,900), communications ($710,100), and other supplies, services and equipment ($235,200), with regard to the latter two, the reductions are owing mainly to the decrease in the need for acquisition of equipment and the overall reduction in service requirements and freight-related costs resulting from the downsizing of the Mission. These reductions are offset by an increase in requirements for ground transportation ($1,123,000);

Facilities and infrastructure

(b) The resources proposed for facilities and infrastructure in the amount of $2,049,100 represent a net decrease of $998,900, or 32.7 per cent, compared with the 2014/15 appropriations. The net decrease is the result of reduced requirements for maintenance services ($1,270,800) and utilities ($291,800) related to the reduction of the Mission's premises and reduced requirements for diesel fuel, petroleum and lubricants services ($134,700), in view of the completion of the downsizing and implementation for period of one additional, owing to the reduction in demand for diesel fuel and reduced services of local power supply companies. These decreases are offset by additional requirements for rental of premises ($443,600), owing mainly to the change of ownership of the premises in Pristina. The Advisory Committee was informed that budgeted annual expenditures for Mission headquarters amounted to €867,000 on the basis of a commercial contract that was valid through 31 March 2015. The additional requirements of $134,500 for security services reflect the proposed

Annex I

Current and projected expenditures of the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2009 to 30 June 2010

Military and police personnel							
Military observers	1 616.1	1 617.7	(1.6)	1 616.1	100.0	134.7	0.1
Military contingents	–	–	–	–	–	–	–
United Nations police	44.0	1 164.4	(1 120.4)	1 164.4	2 646.4	97.0	80.79
Formed police units	–	–	–	–	–	–	–
Subtotal	**1 660.1**	**2 782.1**	**(1 122.0)**	**2 780.5**	**167.5**	**231.7**	**80.9**
Civilian personnel							
International staff	41 421.6	41 251.8	169.8	41 364.1	99.7	3 447.0	0.7
National staff	6 351.0	7 472.1	(1 121.1)	7 469.6	117.6	622.5	(17.6)

The variance is attributable to the impact of the following factors on projected requirements for the 2009/10 period: the implementation of the 5 per cent base salary reduction for staff in the Professional and higher categories and the Field Service and related categories, effective 1 July 2009, pursuant to General Assembly resolution 63/250 of 24 December 2008; the lower actual average post adjustment multiplier in effect from January to June 2009 than budgeted; the lower actual average rate of exchange for the euro in relation to the United States dollar than budgeted; and the lower actual average rate of inflation for the locally recruited staff than budgeted.

United Nations Volunteers	1 617.5	1 617.5	0.0	1 617.5	100.0	134.8	0.0
Government-provided personnel	24.0	24.0	0.0	24.0	100.0	2.0	0.0
Subtotal	**51 458.1**	**51 365.5**	**92.6**	**51 475.2**	**99.8**	**4 289.6**	**0.2**

Annex II

Summary of the staffing changes proposed for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2010 to 30 June 2011

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Office of the Special Representative of the Secretary-General			
	- 1	P-5 (GTA)	Conversion of Senior Coordination Officer position to a post at the P-5 level
	+ 1	P-5	Conversion of Senior Coordination Officer position to a post at the P-5 level
	- 1	P-4 (GTA)	Conversion of Legal Officer position to a post at the P-4 level
	+ 1	P-4	Conversion of Legal Officer position to a post at the P-4 level
	- 1	P-3 (GTA)	Conversion of Police Liaison Officer position to a post at the P-3 level
	+ 1	P-3	Conversion of Police Liaison Officer position to a post at the P-3 level
Office of the Chief of Staff			
	- 1	P-5	Senior Information Analyst post reassigned to the Office for Community Support and Facilitation
Subtotal	**- 1**		
Component 1: substantive			
Office of Political Affairs			
	+ 1	NO	Political Affairs Officer with post reassigned from the Office of the Chief of Mission Support
	- 1	NGS	National General Service post abolished
Office of Legal Affairs			
	- 1	FS	Legal Affairs assistant post reclassified from the Field Service category to the P-2 level (Legal Affairs Officer)
	+ 1	P-2	Legal Affairs Assistant post reclassified from the Field Service category to the P-2 level (Legal Affairs Officer)

Office/Section/Unit	*Number*	*Level*	*Description*
Office for Community Support and Facilitation			
	+1	P-5	Senior Human Rights Officer post reassigned from the Office of the Chief of Staff
Mitrovica Office			
	-1	P-2	Deputy Municipal Representative post reclassified from the P-2 to the P-3 level
	+1	P-3	Deputy Municipal Representative post reclassified from the P-2 to the P-3 level
United Nations Office in Belgrade			
	-2	NGS	Public Information Assistant posts redeployed to the Office of the Spokesperson and Public Information
Office of the Spokesperson and Public Information			
	+2	NGS	Public Information Assistant posts redeployed from the United Nations Office in Belgrade
Subtotal	**+1**		
Component 2: Support			
Office of the Chief of Mission Support			
	-1	SGS	Regional Administrative Officer post reassigned to the Office of Political Affairs
Medical Services			
	-1	P-3	Staff Counsellor post abolished
Administrative Services			
	-1	P-3	Administrative Officer post abolished
Finance Section			
	-1	P-3	Finance Officer post abolished
	-1	NGS	Finance Assistant post abolished
Personnel Section			
	-1	NGS	Personnel Assistant post abolished

Office/Section/Unit	Number	Level	Description
General Services Section			
	- 1	P-3	Property Control and Inventory Officer post abolished
	- 5	NGS	Posts abolished comprising 1 Property Disposal Assistant, 1 Mail Assistant, 1 Travel Assistant, 1 Administrative Assistant, 1 Receiving and Inspection Assistant
Technical Support Services			
	- 1	FS	Logistics Assistant post abolished
Supply Section			
	- 1	P-4	Chief Supply Officer post abolished
	- 1	FS	Logistics Assistant post abolished
	- 3	NGS	Supply Assistant posts abolished
Engineering Section			
	- 2	NGS	Engineering Assistant posts abolished
Communications and Information Technology Section			
	- 1	P-3	Associate Information Technology Officer post abolished
Transport Section			
	- 4	NGS	Drivers (Transport Assistants/Vehicle Technician posts abolished)
Security Section			
	- 1	P-3	Security Officer post abolished
	- 1	FS	Administrative Assistant post abolished
	- 30	NGS	30 Security guard posts abolished
Subtotal	**-59**		
Total			
International	- 7		
National staff (NO and NGS)	- 49		
UNV			
General temporary assistance	- 3		

Abbreviations: GTA = general temporary assistance; NO = National Officer; NGS = national General Service; FS = Field Service; UNV = United Nations Volunteers.